

**SCHOOL DISTRICT**

**OF**

**ROSELLE PARK**

**ROSELLE PARK BOARD OF EDUCATION  
ROSELLE PARK, NEW JERSEY**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**OF THE**

**ROSELLE PARK BOARD OF EDUCATION**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**PREPARED BY**

**ROSELLE PARK BOARD OF EDUCATION  
FINANCE DEPARTMENT**

**ROSELLE PARK SCHOOL DISTRICT**

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\*Private citizens should be listed as Individual Taxpayer 1, Individual Taxpayer 2, etc.

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## **INTRODUCTORY SECTION**

*Roselle Park Public Schools  
510 Chestnut Street  
Roselle Park, New Jersey 07204*

*"A High Performing District"*

**Pedro Garrido**  
Superintendent of Schools  
(908) 245-1197  
FAX (908) 245-1226

**Susan M. Guercio**  
School Business Administrator/  
Board Secretary  
(908) 245-2103

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December 3, 2015

Honorable President and  
Members of the Board of Education  
Roselle Park School District  
County of Union, New Jersey

Dear Board Members:

The Comprehensive Annual Financial Report of the Roselle Park School District for the fiscal year ended June 30, 2015, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rest with the management of the board of education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the district. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the district's organizational chart and a list of principle officials. The financial section includes the general-purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The district is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Circular A-133, Audits of State and Local Governments", and the state Treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations are included in the single audit section of this report.

1. **REPORTING ENTITY AND ITS SERVICES:** The Roselle Park School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No.3. All funds and account groups of the district are included in this report. The Roselle Park Board of Education and all its schools constitute the district's reporting entity.

The district provides a full range of educational services appropriate to grade levels pre-school handicapped, and grades kindergarten through 12 (K-12). These include regular and special education for handicapped youngsters. The district also provides after-school care (extended day) for elementary and middle school children, and a summer camp for parents who need or desire care for their children beyond the traditional school year.

The district also finds itself in the unique position of providing recreational services to the community, county, and state through its operation of the Green Acres Athletic Complex. The complex is used on a regular basis by local and county athletic groups, as well as by individuals of all ages. The board maintains for their use the baseball, softball, football, soccer, tennis, and basketball facilities.

The district completed the 2014-2015 school year with an enrollment of 2009 students, which represents a increase of 51 students over the previous June 30 enrollment.

2. **ECONOMIC CONDITION AND OUTLOOK:** Roselle Park is a community that lacks commercial and industrial ratables. Since eight of the top ten taxpayers are apartment complex owners, only two out of the ten largest taxpayers require no services from the school district. The apartment dwellers are responsible for generating approximately one-fifth of the total student population.

The municipal government is involved in an ongoing program of "downtown revitalization" which at best should provide very modest relief for taxpayers in general. Since the town is almost completely developed, there is limited potential for new expansion in either the commercial, industrial, or residential sector.

Property owners directly, and apartment dwellers indirectly, will continue to shoulder the major proportion of property taxes, based upon the current school funding formula.

3. **CURRICULUM/STAFF DEVELOPMENT:** The Roselle Park School District continues to prioritize teacher and staff professional development. Three full and two half days of professional development training were included in the 2014-2015 school year calendar. Presentations introduced staff to curriculum updates, program changes and/or adjustments, and began the implementation process of instructional practices identified to as areas of focus for the year. Data analysis, data driven instructional decision making, and technology integration are prioritized areas to focus on throughout the year.

Hands on work sessions were designed to develop comfort with new technology and instructional resources. An area of emphasis in this year's professional development was to utilize PLCs, common planning time, articulation meetings, and release time in a coordinated manner to ensure job-embedded, ongoing support for staff.

The district strategic plan highlighted support for the district's Balanced Literacy initiative as our number one priority. Accordingly, a new relationship was established with William Patterson University through the Professor In Residence Program to support Middle School Language Arts teachers with weekly, job embedded training, modeling, and support on a weekly basis throughout the year. We also are in the final stages of preparation to introduce a 1:1 laptop program in grades 6-8 during the 2014-2015 school year, continuing into grades 9-12 for the 2016-2017 school year.

Improved building schedules, program resources, and professional development opportunities are in place to support initiatives and we are incredibly pleased with the progress and positive changes we see in our classrooms thus far.

In mathematics, support for the enVision Mathematics Program continues in grades K-6 and for the Progressive Math Initiative (PMI) in grades 6-12. With the initial PARCC results expected in the Fall, we are eager to analyze results and determine adjustments to pacing guides, curriculum, and/or resources, if necessary.

We continue to support technology integration throughout the district and are taking big steps this year to increase student access to technology and our ability to communicate with the parents and the community. Technology teachers at the elementary level now remain in one building throughout the day, eliminating travel time between campuses. This enables these teachers to provide basic on-site support for staff, increase class period length for upper elementary classes, and identifies flexible time in each technology teacher's schedule to support technology integration into content areas in homeroom classrooms. As noted, we are preparing for a 1:1 laptop initiative at Roselle Park Middle School to kick off in November. The elementary adjustments enable our technicians and technology director to focus more time and resources to support the 1:1 program at RPMS. As these changes are implemented, the High School administrative team is observing and refining implementation plans to support a 1:1 program at RPHS to kick off during the 2016-2017 school year.

Once again, a summer program was offered to Title 1 and LEP students in grades K - 12. This summer program was funded through NCLB. Approximately 90 students attended this valuable learning experience and we hope to have funding to provide this program in the summer of 2016.

The Roselle Park School District has developed a comprehensive plan for professional development for the 2015-2016 school year. In addition to the opportunities mentioned, the district continues to refine procedures to increase the effectiveness of SGO development, the evaluation process, and HIB requirements.

**4. INTERNAL ACCOUNTING CONTROLS:** District management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the district are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principals (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the district also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the district management.

As part of the district's single audit requirement, described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the district has complied with applicable laws and regulations.

**5. BUDGETARY CONTROLS:** In addition to internal accounting controls, the district maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual

appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund and the special revenue fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriation of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2014.

**6. ACCOUNTING SYSTEM AND REPORTS:** The district's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the district is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements", Note 1.

**7. CASH MANAGEMENT:** The investment policy of the district is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 2. The District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

**8. RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

**9. OTHER INFORMATION: Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Robert A. Hulsart and Company, CPA's, conducted the audit for the board of education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04 OMB. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the financial section of this report.

10. ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Roselle Park Board of Education for their desire to provide fiscal accountability to the citizens and taxpayers of the school district, and thereby contributing their full support to the development and maintenance of our financial operations. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,



Pedro Garrido  
Superintendent of Schools



Susan Guercio  
School Business Administrator/Board Secretary

**ROSELLE PARK BOARD OF EDUCATION****ROSELLE PARK, NEW JERSEY****ROSTER OF OFFICIALS****JUNE 30, 2015**

<b><u>Members of the Board of Education</u></b>	<b><u>Term</u></b>
Christopher Miller, President	2017
Loren Harms, Vice-President	2016
Alexander Balaban	2016
Rodric Bowman	2017
Scott Bruckenstein	2015
James Damm	2015
Troy Gerten	2015
Scott Nelson	2016
Jeofrey Vita	2017

**Other Officials**

Pedro Garrido, Superintendent

Susan M. Guercio, Board Secretary/School Business Administrator

Gregory Meyer, Treasurer

Anthony Sciarrillo, Esq., Board Attorney

**ROSELLE PARK BOARD OF EDUCATION  
CONSULTANTS AND ADVISORS**

**Audit Firm**

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**Architect**

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Mountainside, New Jersey 07092

**Health and Dental**

Brown & Brown Benefit Advisors  
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Murray Hill, New Jersey 07974

**Property and Casualty**

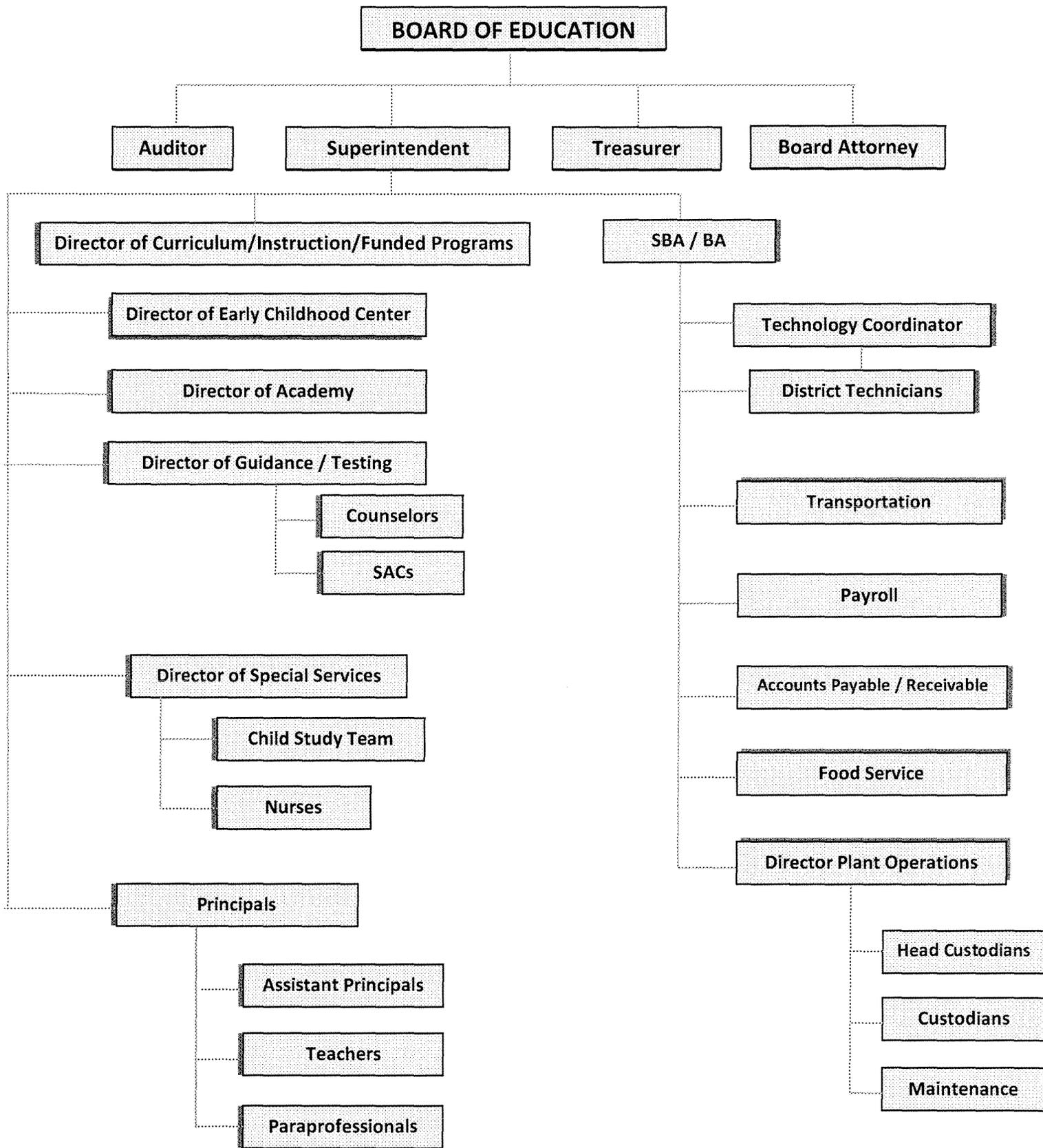
Davies & Associates, Inc.  
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Murray Hill, New Jersey 07974

**Bond Counsel**

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One Riverfront Plaza  
Fourth Floor  
Newark, New Jersey 07102-5408

# ROSELLE PARK SCHOOL DISTRICT ORGANIZATIONAL CHART

Effective: January 5, 2015



## **FINANCIAL SECTION**

*Robert A. Hulsart and Company*  
 CERTIFIED PUBLIC ACCOUNTANTS

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)  
 ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.  
 ROBERT A. HULSART, JR., C.P.A., P.S.A.

RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

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**INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
 of the Board of Education  
 Roselle Park School District  
 County of Union  
 Roselle Park, New Jersey

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Roselle Park School District, in the County of Union, State of New Jersey, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Roselle Park School District, in the County of Union, State of New Jersey, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### *Other Matters*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The accompanying introductory section and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules, and statistical information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standard generally accepted in the United States of America. In our opinion, the accompanying introductory section and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules, and statistical information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying introductory section and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules, and statistical information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and New Jersey OMB's Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid respectively, and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2015 on our consideration of the Roselle Park's Board of Education internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Roselle Park Board of Education's internal control over financial reporting and compliance.

Respectfully submitted,

**ROBERT A. HULSART AND COMPANY**

---

**Robert A. Hulsart**  
**Licensed Public School Accountant**  
**No. 322**  
**Robert A. Hulsart and Company**  
**Wall Township, New Jersey**

December 3, 2015

**REQUIRED SUPPLEMENTARY INFORMATION  
PART I**

**ROSELLE PARK PUBLIC SCHOOL DISTRICT**  
**BOROUGH OF ROSELLE PARK**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

The discussion and analysis of Roselle Park School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2015. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; it should be read in conjunction with the Comprehensive Annual Financial Report's (CAFR) Letter of Transmittal which is found in the Introductory Section, and the School Board's financial statements found in the Financial Section and the notes thereto.

**Financial Highlights**

Key Financial highlights for the 2014-2015 fiscal year are as follows:

- Total assets as of June 30, 2015 were \$44,581,851 which included \$241,220 for Proprietary funds.
- The total Governmental net position included \$36,744,847 of capital assets and \$1,710,733 of restricted assets designated for state and federal projects, capital projects, and capital reserve.
- Total revenues for the year were \$36,222,932 which included \$35,047,650 in Governmental Funds, and \$1,241,282 for Proprietary Funds.
- There was state aid payments of \$1,034,148 that was not made in 2014-15 as a result of the New Jersey Legislature's Appropriations Act. This amount will be received in 2015-16.
- Proprietary Fund revenues included \$767,660 for food service and \$473,622 for Summer Camp programs.
- Total District expenditures were \$36,410,456 of which \$35,237,769 were for Governmental Funds and \$1,172,687 for Proprietary Funds.

**Using this Comprehensive Annual Financial Report (CAFR)**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Roselle Park School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net Position and Statement of Activities* provide information about the activities of the whole school district, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of Roselle Park School District, the General Fund is the most significant fund, with the Special Revenue Fund and certain Proprietary Funds also having significance.

## Using this Comprehensive Annual Financial Report (CAFR) (Continued)

The School Board's auditor has provided assurance in his Independent Auditor's Report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. A user of this report should read the Independent Auditor's Report carefully to ascertain the level of assurance being provided for each of the other parts of the Financial Section.

### Reporting the School District as a Whole

#### Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions. The Statement of Net Position and the Statement of Activities helps provide this information. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account, all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in those assets. This change in net position is important because it tells the reader that, for the school district as a whole, the financial positions of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- Governmental activities – All of the School District's programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- Business-Type Activities – This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service Enterprise Fund, the Extended Day Care and Summer Camp Programs are reported as a business activities.

### Reporting the School District's Most Significant Funds

#### Fund Financial Statements

Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Special Revenue Fund and Debt Service Fund.

## Governmental Funds

The School District's activities are reported in Governmental Funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The Governmental Fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental Fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and Governmental Funds is reconciled in the financial statements.

## Proprietary Funds

The Proprietary Funds uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

## The School District as a Whole

Table 1 provides a summary of the School District's net position for the fiscal year 2013-2014 and 2014-2015.

**Table 1**  
**Net Position**

	<u>2014-2015</u>	<u>2013-2014</u>
<b><u>Assets</u></b>		
Current and Other Assets	\$ 1,715,958	2,335,581
Capital Assets, Net	<u>42,865,893</u>	<u>43,081,981</u>
Total Assets	<u>\$ 44,581,851</u>	<u>45,417,562</u>
<b><u>Deferred Outflows of Resources</u></b>		
Contribution to Pension Plans	<u>\$ 567,916</u>	_____
<b><u>Deferred Inflows of Resources</u></b>		
Pension Deferrals	<u>\$ 585,306</u>	_____
<b><u>Liabilities</u></b>		
Long-Term Liabilities	\$ 14,007,078	7,131,737
Other Liabilities	<u>949,495</u>	<u>1,201,723</u>
Total Liabilities	<u>\$ 14,956,573</u>	<u>8,333,460</u>
<b><u>Net Position</u></b>		
Invested in Capital Assets, Net of Debt	\$ 36,746,274	36,244,185
Restricted	1,710,733	2,216,181
Unrestricted	<u>(8,849,119)</u>	<u>(1,376,264)</u>
Total Net Position	<u>\$ 29,607,888</u>	<u>37,084,102</u>

Table 2 shows the changes in net position for fiscal year 2014-2015 and 2013-2014.

**Table 2**  
**Changes in Net Position**

	<u>2014-2015</u>	<u>2013-2014</u>
<b><u>Revenues</u></b>		
Program Revenues		
Charges for Services	\$ 1,134,595	1,116,544
Operating Grants and Contributions	1,332,090	1,248,039
General Revenues		
Property Taxes	19,835,887	18,539,786
Grants and Entitlements	13,882,321	13,385,247
Other	<u>104,039</u>	<u>95,078</u>
Total Revenues	<u>36,288,932</u>	<u>34,384,694</u>
<b><u>Program Expenses</u></b>		
Instruction	14,454,906	13,874,988
Tuition	1,494,344	1,466,080
Depreciation	213,294	222,822
Support Services		
Pupils/Instructional Services	3,555,438	3,464,665
Administrative-General, School, Business	2,360,409	2,316,119
Operations and Maintenance of Facilities	2,650,796	2,535,398
Pupil Transportation	480,418	378,044
Employee Benefits	9,812,810	8,411,378
Debt Service	215,354	222,769
Enterprise	<u>1,172,687</u>	<u>999,738</u>
Total	<u>36,410,456</u>	<u>33,892,001</u>
Increase (Decrease) in Net Position	<u>\$ (121,524)</u>	<u>492,693</u>

### **Governmental Activities**

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services.

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student.

Extra Curricular activities include school sponsored co-curricular activities such as publications, clubs, drama and music as well as interscholastic athletics.

Pupils/Instructional services include the activities involved with providing support services to pupils, both regular and special education, educational media services and assisting the staff with the content and process of teaching to students, including curriculum and staff development.

## **Governmental Activities (Continued)**

General administration, school administration and business include expenses associated with administrative and financial supervision of the District.

Operation and maintenance of facilities activities involve keeping the school grounds, buildings and equipment in an effective working condition.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by state law.

Employee Benefits represent the cost of employer's share of pension and social security, health and dental insurance premiums, compensation for retiring employees' accumulated sick leave pursuant to collective bargaining agreements, and custodial uniforms.

Capital Outlay includes equipment items with a unit cost of \$2,000 or more, and facilities acquisition and construction services.

Debt Service involves the transactions associated with the payment of principal and interest on previously authorized debt incurred by the School District.

## **Business-Type Activities**

Revenues for the District's business-type activities (food service program and summer camp) were comprised of charges for services and federal and state reimbursements.

- Food service revenues exceeded expenses by \$1,814.
- Charges for services represent \$377,412 of revenue. This represents amount paid by patrons for daily food services.
- Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities was \$390,248.
- The Summer Camp program, which has a fee for service program, had total revenues of \$473,622.

## **The School Board's Funds**

The School Board uses funds to control and manage money for particular purposes. The Fund's basic financial statements allows the School Board to demonstrate its stewardship over and accountability for resources received from the Borough of Roselle Park's taxpayer's and other entities, including the State of New Jersey and the Federal Government. These statements also allow the reader to obtain more insight into the financial workings of the School Board, and assess further the School Board's overall financial health.

The School Board's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

Over the course of the year, the School Board revises its budget as it attempts to take into consideration unexpected changes in revenue and expenditures. A schedule showing the School Board's original and final budget compared with actual operating results is provided in the section of the CAFR, entitled Budgetary Comparison Schedules.

### The School Board's Funds (Continued)

On June 30, 2015 the district's General Fund balance was \$2,422,241. This amount will be reduced by encumbrances of \$1,007,237, \$100 for Capital Reserve, and \$211,877 of excess surplus which is mandated for tax relief in 2015-2016; and \$346,757 for tax relief in 2015-2016, \$144,782 in maintenance reserve leaving an unrestricted balance of \$711,508. The unrestricted balance represents 2% of the current year's budget. This relatively low surplus is primarily the result of utilizing surplus funds in previous years for tax relief, and the reduction of state aid.

### Capital Assets

At June 30, 2015, the School Board had approximately \$43,080,198 million invested in a broad range of capital assets, including land, buildings, furniture, vehicles, computers, instructional equipment and other equipment. This amount is net of accumulated depreciation to date. Table 3 below shows the net book value of capital assets at the end of the 2015 fiscal year.

**Table 3**

	<u>Governmental Activities</u>	<u>Business Type Activities</u>
Capital Assets at June 30, 2015		
Land and Improvements	\$ 28,568,646	
Buildings and Sites	14,160,178	
Machinery, Equipment and Vehicles	<u>135,642</u>	<u>1,427</u>
Total	<u>\$ 42,864,466</u>	<u>1,427</u>

### Debt Administration

At June 30, 2015, the School District had \$14,741,407 as outstanding debt. Of this amount \$1,110,647 is for compensated absences, and \$5,415,000 for bonds for school improvement, \$704,619 in capital leases; and \$7,511,141 for pension liability.

### Economic Factors and Next Year's Budget

At this time, the most important factor affecting the budget is the unsettled situation with State Aid, and recent legislation affecting future school budgets. The District can only assume that current funding levels from the state will be maintained, however, the legislation further restricts budget growth. The District expects to experience additional growth in student population. Additionally costs for personnel, special education and energy are expected to continue to increase. The tax levy will likely be the area that will need to absorb most of the increase in budget obligations.

In conclusion, the Roselle Park School District has committed itself to a thorough and efficient operation for delivering educational services to its school children. The School District is carefully managing its resources, and is planning to meet its future educational needs in as fiscally prudent a manner as possible.

### **Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact Susan Guercio, School Business Administrator/Board Secretary at Roselle Park Board of Education, 510 Chestnut Street, Roselle Park, NJ 07204.

## **BASIC FINANCIAL STATEMENTS**

**DISTRICT-WIDE FINANCIAL STATEMENTS – A**

STATEMENT OF NET POSITION

Exhibit A-1

JUNE 30, 2015

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b><u>Assets</u></b>			
Cash and Cash Equivalents	\$ -	205,299	205,299
Receivables, Net	538,884	25,459	564,343
Inventory		9,035	9,035
Restricted Assets:			
Cash and Cash Equivalents	937,181		937,181
Capital Reserve Account - Cash	100		100
Capital Assets - (Non-Depreciable)	28,568,646		28,568,646
Capital Assets, Net (Note 1)	14,295,820	1,427	14,297,247
Total Assets	<u>44,340,631</u>	<u>241,220</u>	<u>44,581,851</u>
<b><u>Deferred Outflow of Resources</u></b>			
Contribution to Pension Plan	<u>567,916</u>		<u>567,916</u>
<b><u>Deferred Inflow of Resources</u></b>			
Pension Deferrals	<u>585,306</u>		<u>585,306</u>
<b><u>Liabilities</u></b>			
Accounts Payable and Accrued Interest	98,214	22,886	121,100
Deferred Revenue	88,072	5,994	94,066
Noncurrent Liabilities: (Note 3)			
Due Within One Year	734,329		734,329
Due Beyond One Year	14,007,078		14,007,078
Total Liabilities	<u>14,927,693</u>	<u>28,880</u>	<u>14,956,573</u>
<b><u>Net Position</u></b>			
Invested in Capital Assets, Net of Related Debt	36,744,847	1,427	36,746,274
Restricted For:			
Other	1,710,733		1,710,733
Unrestricted	<u>(9,060,032)</u>	<u>210,913</u>	<u>(8,849,119)</u>
Total Net Position	<u>\$ 29,395,548</u>	<u>212,340</u>	<u>29,607,888</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit A-2

Sheet 1 of 2

**STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED JUNE 30, 2015**

	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b><u>Functions/Programs</u></b>						
Governmental Activities:						
Instruction:						
Regular	\$ 9,615,148			(9,615,148)		(9,615,148)
Special Education	2,212,047			(2,212,047)		(2,212,047)
Other Special Instruction	1,726,901		794,483	(932,418)		(932,418)
Other Instruction	900,810			(900,810)		(900,810)
Support Services:						
Tuition	1,494,344	283,561		(1,210,783)		(1,210,783)
Student & Instruction Related Services	3,555,438		147,359	(3,408,079)		(3,408,079)
School Administrative Services	602,195			(602,195)		(602,195)
General and Business Administrative Services	1,758,214			(1,758,214)		(1,758,214)
Plant Operations and Maintenance	2,650,796			(2,650,796)		(2,650,796)
Pupil Transportation	480,418			(480,418)		(480,418)
Employee Benefits	9,812,810			(9,812,810)		(9,812,810)
Interest on Long-Term Debt	215,354			(215,354)		(215,354)
Depreciation	213,294			(213,294)		(213,294)
Total Government Activities	<u>35,237,769</u>	<u>283,561</u>	<u>941,842</u>	<u>(34,012,366)</u>	<u>-</u>	<u>(34,012,366)</u>
Business-Type Activities:						
Food Service and Miscellaneous	1,172,687	851,034	390,248		68,595	68,595
Total Business-Type Activities	<u>1,172,687</u>	<u>851,034</u>	<u>390,248</u>	<u>-</u>	<u>68,595</u>	<u>68,595</u>
Total Primary Government	<u>36,410,456</u>	<u>1,134,595</u>	<u>1,332,090</u>	<u>(34,012,366)</u>	<u>68,595</u>	<u>(33,943,771)</u>

**ROSELLE PARK SCHOOL DISTRICT**

**Exhibit A-2**

**Sheet 2 of 2**

**STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>		
	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
General Revenues:					
Taxes					
Property Taxes, Levied for General Purpose, Net			19,183,851		19,183,851
Taxes Levied for Debt Service			652,036		652,036
Federal and State Aid Not Restricted			13,882,321		13,882,321
Miscellaneous Income			104,039		104,039
Total General Revenues and Transfers			<u>33,822,247</u>	<u>-</u>	<u>33,822,247</u>
Change in Net Position			(190,119)	68,595	(121,524)
Restatement for Pension			(7,511,141)		(7,511,141)
Net Position - Beginning			<u>37,096,808</u>	<u>143,745</u>	<u>37,240,553</u>
Net Position - Ending			<u>\$ 29,395,548</u>	<u>212,340</u>	<u>29,607,888</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**FUND FINANCIAL STATEMENTS – B**

BALANCE SHEETGOVERNMENTAL FUNDSJUNE 30, 2015

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
<b><u>Assets</u></b>			
Cash and Cash Equivalents-Restricted	\$ 937,281		937,281
Receivables, Net	351,853	187,031	538,884
Interfund Receivable	98,959		98,959
Total Assets	<u>\$ 1,388,093</u>	<u>187,031</u>	<u>1,575,124</u>
<b><u>Liabilities and Fund Balance</u></b>			
Liabilities:			
Interfund Payable	\$ -	98,959	98,959
Deferred Revenue		88,072	88,072
Total Liabilities	<u>-</u>	<u>187,031</u>	<u>187,031</u>
Fund Balance:			
Restricted for:			
Excess Surplus	211,877		211,877
Committed To:			
Capital Reserve Account	100		100
Maintenance Reserve	144,782		144,782
Assigned To:			
Designated for Subsequent Year's Expenditures			
Excess Surplus	346,737		346,737
Other Purposes	1,007,237		1,007,237
Unassigned:			
General Fund	(322,640)		(322,640)
Total Fund Balances	<u>1,388,093</u>	<u>-</u>	<u>1,388,093</u>
Total Liabilities and Fund Balance	<u>\$ 1,388,093</u>	<u>187,031</u>	

Amounts reported for governmental activities in the Statement of Net Position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$54,433,217 and the accumulated depreciation is \$11,568,751.

42,864,466

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.

(14,741,407)

Deferred outflow of resources - contributions to the pension plan

567,916

Deferred inflow of resources - acquisition of assets applicable to future reporting periods

(585,306)

Accrued Interest

(98,214)

Net Position of Governmental Activities

\$ 29,395,548

The accompanying Notes to Financial Statements are an integral part of this statement.

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit B-2  
Sheet 1 of 2

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**

**GOVERNMENTAL FUNDS**

**FOR THE YEAR ENDED JUNE 30, 2015**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b><u>Revenues</u></b>				
Local Sources:				
Local Tax Levy	\$ 19,183,851		652,036	19,835,887
Tuition Charges	283,561			283,561
Enterprise Fund	72,000			72,000
Miscellaneous	13,919	22,224		36,143
Total Local Sources	<u>19,553,331</u>	<u>22,224</u>	<u>652,036</u>	<u>20,227,591</u>
State Sources	13,798,706			13,798,706
Federal Sources	83,615	937,738		1,021,353
Total Revenues	<u>33,435,652</u>	<u>959,962</u>	<u>652,036</u>	<u>35,047,650</u>
<b><u>Expenditures</u></b>				
Current:				
Regular Instruction	9,615,148			9,615,148
Special Education Instruction	2,212,047			2,212,047
Other Special Instruction	932,418	794,483		1,726,901
Other Instruction	900,810			900,810
Support Services and Undistributed Costs:				
Tuition	1,494,344			1,494,344
Student and Instruction Related Services	3,398,437	147,359		3,545,796
School Administrative Services	602,195			602,195
Other Administrative Services	1,758,214			1,758,214
Plant Operations and Maintenance	2,650,796			2,650,796
Pupil Transportation	480,418			480,418
Unallocated Benefits	9,696,891			9,696,891
Debt Service:				
Principal			470,000	470,000
Interest and Other Charges			217,200	217,200
Capital Outlay	71,168	18,120		89,288
Charter Schools	9,642			9,642
Total Expenditures	<u>33,822,528</u>	<u>959,962</u>	<u>687,200</u>	<u>35,469,690</u>

**ROSELLE PARK SCHOOL DISTRICT**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**

Exhibit B-2

Sheet 2 of 2

**GOVERNMENTAL FUNDS**

**FOR THE YEAR ENDED JUNE 30, 2015**

	<b><u>General Fund</u></b>	<b><u>Special Revenue Fund</u></b>	<b><u>Debt Service Fund</u></b>	<b><u>Total Governmental Funds</u></b>
Excess (Deficiency) of Revenues Over Expenditures	<u>(386,876)</u>	<u>-</u>	<u>(35,164)</u>	<u>(422,040)</u>
Net Change in Fund Balances	<u>(386,876)</u>	<u>-</u>	<u>(35,164)</u>	<u>(422,040)</u>
Fund Balance - July 1	<u>1,774,969</u>	<u>-</u>	<u>35,164</u>	<u>1,810,133</u>
Fund Balance - June 30	<u>\$ 1,388,093</u>	<u>-</u>	<u>-</u>	<u>1,388,093</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit B-3

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES****AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS****TO THE STATEMENT OF ACTIVITIES****JUNE 30, 2015**

Total Net Change in Fund Balances - Governmental Funds (From B-2)	\$ (422,040)
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Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:

Capital Outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.

Depreciation Expense	(213,294)	
Capital Outlays	89,288	(124,006)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.	470,000
---	---------

Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.

Accrued Interest	1,846
------------------	-------

Contributions to the pension plan in the current fiscal year are deferred outflows of resources on the Statement of Net Position	567,916
--	---------

Pension related deferrals	(585,306)
---------------------------	-----------

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation; when the paid amount exceeds the earned amount the difference is an addition to the reconciliation.

	(98,529)
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Change in Net Position of Governmental Activities	\$ (190,119)
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The accompanying Notes to Financial Statements are an integral part of this statement.

**ROSELLE PARK SCHOOL DISTRICT****STATEMENT OF NET POSITION****PROPRIETARY FUNDS****JUNE 30, 2015****Exhibit B-4**

	<b><u>Business-Type Activities Enterprise Funds</u></b>
<b><u>Assets</u></b>	
Current Assets:	
Cash and Cash Equivalents	\$ 205,299
Accounts Receivable:	
State	564
Federal	21,789
Miscellaneous	3,106
Inventory	9,035
Total Current Assets	<u>239,793</u>
Noncurrent Assets	
Equipment	303,698
Accumulated Depreciation	<u>(302,271)</u>
Total Fixed Assets	<u>1,427</u>
Total Assets	<u><u>\$ 241,220</u></u>
<b><u>Liabilities</u></b>	
Current Liabilities:	
Deferred Revenue	\$ 5,994
Accounts Payable	<u>22,886</u>
Total Current Liabilities	<u><u>\$ 28,880</u></u>
<b><u>Net Position</u></b>	
Investment in Capital Assets	\$ 1,427
Unrestricted	<u>210,913</u>
Total Net Position	<u><u>\$ 212,340</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**ROSELLE PARK SCHOOL DISTRICT****STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION****Exhibit B-5****PROPRIETARY FUNDS****JUNE 30, 2015**

	<b>Business-Type Activities</b>
	<b>Enterprise Funds</b>
Operating Revenues:	
Daily Sales	\$ 377,412
Fees Charged	473,622
Total Operating Revenues	<u>851,034</u>
Operating Expenses:	
Salaries	567,120
Other Employee Benefits	81,960
Contracted Services	395,997
Supplies and Materials	50,353
Utilities	20,221
Depreciation	356
Miscellaneous	56,680
Operating Expenses	<u>1,172,687</u>
Operating Gain/(Loss)	(321,653)
Non-Operating Revenues:	
State Sources:	
State School Lunch Program	8,830
Federal Sources:	
National School Lunch Program	304,373
HHFKA Lunch Program	11,053
Breakfast Program	21,198
Food Distribution Program	44,794
Total Non-Operating Revenues	<u>390,248</u>
Change in Net Position	68,595
Total Net Position - Beginning	<u>143,745</u>
Total Net Position - Ending	<u>\$ 212,340</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**ROSELLE PARK SCHOOL DISTRICT****STATEMENT OF CASH FLOWS****PROPRIETARY FUNDS****JUNE 30, 2015**

Exhibit B-6

	<b>Business-Type Activities</b>
	<b>Enterprise Funds</b>
	<hr/> <hr/>
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 851,034
Payments for Salaries	(567,120)
Payments to Suppliers	(658,857)
Net Provided (Used) by Operating Activities	<hr/> <hr/> (374,943)
 Cash Flows from Noncapital Financing Activities	
Federal & State Sources	345,454
Net Cash Provided by Noncapital Financing Activities	<hr/> <hr/> 345,454
 Net Increase (Decrease) in Cash and Cash Equivalents	(29,489)
 Balances - Beginning of Year	<hr/> <hr/> 234,788
 Balances - End of Year	<hr/> <hr/> <hr/> <hr/> \$ 205,299
 Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (321,653)
Adjustments to Reconcile Operating Income (Loss) to Cash Provided (Used) by Operating Activities	
Federal Commodities Consumed	44,794
Depreciation	356
Decrease/(Increase) in Inventory	(611)
(Decrease)/Increase in Deferred Revenue	5,994
(Decrease)/Increase in Accounts Payable	(200,270)
Decrease/(Increase) in Accounts Receivable	96,447
Net Provided (Used) by Operating Activities	<hr/> <hr/> <hr/> <hr/> \$ (374,943)

The accompanying Notes to Financial Statements are an integral part of this statement.

**ROSELLE PARK SCHOOL DISTRICT**  
**STATEMENT OF FIDUCIARY NET POSITION**

Exhibit B-7

**FIDUCIARY FUNDS**

**JUNE 30, 2015**

	<b><u>Unemployment Compensation Trust</u></b>	<b><u>Scholarship Fund</u></b>	<b><u>Agency Fund</u></b>
Assets:			
Cash and Cash Equivalents	\$ 82,965	3,362	(24,060)
Total Assets	<u>\$ 82,965</u>	<u>3,362</u>	<u>(24,060)</u>
Liabilities:			
Payroll Deductions and Withholdings	\$ -		(24,060)
Total Liabilities			<u>(24,060)</u>
Net Position:			
Reserved - Scholarship		3,362	
Reserved - Unemployment Benefits	82,965		
Total Net Position	<u>\$ 82,965</u>	<u>3,362</u>	

The accompanying Notes to Financial Statements are an integral part of this statement.

**ROSELLE PARK SCHOOL DISTRICT****STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**

Exhibit B-8

**FIDUCIARY FUNDS****JUNE 30, 2015**

	<b>Unemployment Compensation Trust</b>	<b>Scholarship Fund</b>
<b><u>Additions</u></b>		
Contributions	\$ 64,275	
Total Contributions	<u>64,275</u>	<u>-</u>
Investment Earnings:		
Interest		6
Net Investments Earnings	<u>-</u>	<u>6</u>
Total Additions	<u>64,275</u>	<u>6</u>
<b><u>Deductions</u></b>		
Unemployment Claims	48,702	
Scholarship Payments		1,550
Total Deductions	<u>48,702</u>	<u>1,550</u>
Change in Net Position	15,573	(1,544)
Net Position - Beginning of Year	<u>67,392</u>	<u>4,906</u>
Net Position - End of Year	<u>\$ 82,965</u>	<u>3,362</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**NOTES TO FINANCIAL STATEMENTS**

**BOARD OF EDUCATION**  
**ROSELLE PARK SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**NOTE 1: Summary of Significant Accounting Policies**

The financial statements of the Board of Education (Board) of the Roselle Park School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board's accounting policies are described below.

**A. Reporting Entity:**

The Board is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of appointed officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Government Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The government-wide and fund financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include three elementary schools, a middle school and a high school located in Roselle Park, County of Union, New Jersey. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. GASB Statement 14 established criteria to be used to determine which component units should be included in the financial statements of the oversight entity. Furthermore the District is not includable in any other reporting entity on the basis of such criteria.

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements include the statement of net assets and the statement of activities. These statements report financial information for the District as a whole excluding fiduciary activities such as student activities. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by state and federal aid, tuition and county tax levies, from business-type activities generally financed in whole or in part with fees charged to external customers.

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**B. Government-Wide Financial Statements (Continued)**

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include (1) charges for services which report fees and other charges to users of the District's services and (2) operating grants and contributions. These revenues are subject to externally imposed restrictions to these program uses. Tax levies and other revenue sources not properly included with program revenues are reported as general revenues.

Fund financial statements are provided for governmental, proprietary and fiduciary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds.

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The financial statements of the District are prepared in accordance with generally accepted accounting principles (GAAP). The District's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. The government-wide and proprietary fund financial statements apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Proprietary and fiduciary fund financial statements also report using this same focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met. The Unemployment Trust Fund recognizes employer and employee contributions in the period in which contributions are due.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to apply current liabilities. The District considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for long-term pension and compensated absences, which are reported as expenditures in the year due.

Major revenue sources susceptible to accrual includes Intergovernmental revenues, and the property tax levy. In general, other revenues are recognized when cash is received.

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)**

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for food sales and for services provided to other governmental entities. Principles operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

**D. Fund Accounting:**

The accounts of the District are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. Each fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".

**Governmental Fund Types**

General Fund: The general fund is the general operating fund of the District and is used to account for all expendable financial resources except those required to be accounted for in another fund.

Special Revenue Fund: The District accounts for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for specified purposes in the special revenue funds.

Capital Projects: The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Debt Service Fund: The debt service fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

**Proprietary Fund Type**

Enterprise Fund: To account for operations that are financed and operated in a manner similar to private business enterprises, in which the intent of the District is that the costs of providing goods or services to the District on a continuing basis be financed or recovered primarily through user charges.

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**D. Fund Accounting (Continued):**

**Fiduciary Fund Types**

Trust and Agency Funds: The trust and agency funds are used to account for assets held by the District on behalf of outside parties, including other governments, or on behalf of other funds within the District.

Unemployment Compensation Trust Fund: The trust fund is used to account for assets held under the terms of a formal trust agreement. The District reimburses the costs of unemployment benefits paid by the New Jersey Department of Labor.

Private-Purpose Trust Fund: The trust fund encompasses other trust fund arrangements for which principal and income benefit individuals outside of the school district. The District issued scholarships to students.

Agency Funds (Payroll and Student Activities Fund): Agency funds are used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations.

**E. Budgets/Budgetary Control:**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the County office and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting; the legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2.2(g). All budget amendments must be approved by School Board resolution. Budget amendments during the year ended June 30, 2015 were insignificant, except for adjustments due to the reductions in state aid.

The Public School Education Act of 1975, limits the annual increase of any district's net current expense budget. The Commissioner of Education certifies the allowable amount for each district but may grant a higher level of increase if he determines that the sums so provided would be insufficient to meet the identified goals and needs of the district or that an anticipated enrollment increase requires additional funds.

The Commissioner must also review every proposed local school district budget for the next school year. He examines every item of appropriations for current expenses and budgeted capital outlay to determine their adequacy in relation to the identified needs and goals of the district. If, in his view, they are insufficient, the Commissioner must order remedial action. If necessary, he is authorized to order changes in the local district budget.

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**E. Budgets/Budgetary Control (Continued):**

Once a budget is approved, it can be amended by transfers or additional appropriation of fund balances by approval of a majority of the members of the Board. Amendments are presented to the Board at their regular meetings. Each amendment must have Board approval. Such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year-end as dictated by law. All uncommitted budget appropriations lapse at year-end.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

A reconciliation of the special revenue funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule (C-2) to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds (B-2) is presented in the Budget-to-GAAP Reconciliation (C-3).

The following represents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General, Special Revenues and Debt Service Funds to the GAAP basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances – All Governmental Fund Types. Note that the district does not report encumbrances outstanding at year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payment.

**F. Encumbrances:**

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as reservations of fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as deferred revenues and/or reductions of receivables of other governments at fiscal year end.

**NOTE 1: Summary of Significant Accounting Policies (Continued)****F. Encumbrances (Continued):**

The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

**G. Short-Term Interfund Receivables/Payables:**

Short-Term interfund receivables/payables represents amounts that are owed, other than charges for good or services rendered to/from a particular fund in the District and that are due within one year.

**H. Inventories and Prepaid Expenses**

Inventories and prepaid expenses, which benefit future periods, are recorded as an expenditure during the year of purchase. The value of inventories remaining at the end of the fiscal year is not included on the balance sheet.

Enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2015.

**I. Capital Assets and Depreciation**

The District's property, buildings and improvements, equipment, vehicles, furniture and fixtures with useful lives of five years or more are stated at historical or estimated historical cost and are reported in the government-wide financial statements. Proprietary Fund capital assets are reported in its respective fund.

The District contracted with an outside service company during the 2003 fiscal year to provide a report with a comprehensive detail of capital assets and depreciation. The report dated October 10, 2002, included capital assets purchased during the 2002 fiscal year and prior with a historical cost of \$500 or more and capital assets purchased during the 2002-03 fiscal year with a historical cost of \$2,000 or more. Accumulated depreciation prior to fiscal year 2003, fiscal year 2003 depreciation expense, total accumulated depreciation and book values were also provided. The District has provided updates subsequent to 2003. The costs of normal maintenance and repairs that do not add to the asset value or materially extend the useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts. Estimated useful lives, in years, for depreciable assets are as follows:

Buildings and Improvements	20 – 50
Equipment and Vehicles	5 – 20
Furniture and Fixtures	5 – 20

The District currently has software that maintains proper capital asset and depreciation records.

NOTE 1: Summary of Significant Accounting Policies (Continued)I. Capital Assets and Depreciation (Continued)

Capital asset activity for the year ended June 30, 2015 was as follows:

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Adj.</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2015</u>
Governmental Activities:					
Capital Assets That are Not Being Depreciated:					
Land	\$ 27,615,850				27,615,850
Capital Leases	<u>952,796</u>				<u>952,796</u>
Total Capital Assets Not Being Depreciated	<u>28,568,646</u>				<u>28,568,646</u>
Depreciable Assets:					
Site Improvements	957,203				957,203
Buildings & Sites	19,345,286				19,345,286
Equipment	<u>5,564,520</u>		(2,438)		<u>5,562,082</u>
Total	<u>25,867,009</u>		<u>(2,438)</u>		<u>25,864,571</u>
Less: Accumulated Depreciation:					
Sites	(896,891)	(4,509)			(901,400)
Buildings	(5,067,472)	(173,439)			(5,240,911)
Equipment	<u>(5,391,094)</u>	<u>(35,346)</u>			<u>(5,426,440)</u>
Total Accumulated Depreciation	<u>(11,355,457)</u>	<u>(213,294)</u>			<u>(11,568,751)</u>
Net Depreciable Assets	<u>14,511,552</u>	<u>(213,294)</u>	<u>(2,438)</u>		<u>14,295,820</u>
Governmental Activities Capital Assets (Net)	<u>\$ 43,080,198</u>	<u>(213,294)</u>	<u>(2,438)</u>		<u>42,864,466</u>
Business-Type Activities:					
Equipment	\$ 303,698				303,698
Less Accumulated Depreciation for:					
Equipment	<u>(301,915)</u>	<u>(356)</u>			<u>(302,271)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 1,783</u>	<u>(356)</u>			<u>1,427</u>

Depreciation expense was charged to governmental functions as follows:

Unallocated	<u>\$ 213,294</u>
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**NOTE 1: Summary of Significant Accounting Policies (Continued)****I. Compensated Absences**

District employees are permitted, within certain limitations, to accrue vacation and sick leave in varying amounts under the Districts personnel policies and may be paid at a later date according to contractual agreements.

The liability for vested compensated absences of the governmental fund types is recorded in the government-wide financial statements as a non-current liability. Governmental funds report only matured compensated absences payable to currently terminating employees and are included in wages and benefits payable

**J. Deferred Revenue**

Deferred revenue in the general and special revenue funds represent cash which has been received but not yet earned. Deferred revenue in the general fund represents property tax levy monies received for fiscal year 2015. See Note 1(F) regarding the special revenue fund.

**K. Fund Equity**

The governmental fund financial statements report reserved fund balance for amounts not available for appropriation or legally restricted for specified purposes. The general fund reserve for restricted purposes includes net assets relating to capital reserve.

**NOTE 2: Cash and Cash Equivalents and Investments**

Cash and cash equivalents includes petty cash, change funds, amounts in deposits, and short term investments with original maturities of three months or less.

Investments are stated at cost, which approximates market. The District classifies certificates of deposit, which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

**Deposits**

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

**NOTE 2: Cash and Cash Equivalents and Investments (Continued)**

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

**Investments**

New Jersey statutes permit the District to purchase the following types of securities:

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or any United States Bank for cooperatives which have a maturity date not greater than twelve months from the date of purchase.
- c. Bonds or other obligations of the school district.

As of June 30, 2015, cash and cash equivalents and investments of the District consisted of the following:

	<b>Cash and Cash</b>
	<b><u>Equivalents</u></b>
Checking and Money Market Accounts	<b><u>\$ 1,335,845</u></b>

The carrying amount of the District’s cash and cash equivalents at June 30, 2015 was \$1,335,845 and the bank balance was \$2,193,608. Of the bank balance, \$250,580 was covered by federal depository insurance and \$1,854,969 was covered by a collateral pool maintained by the banks as required by New Jersey statutes; and \$88,059 was uninsured.

**Credit Risk Categories**

All bank deposits and investments as of the balance sheet date are classified as to credit risk by the following two categories described below:

GUDPA	\$ 1,854,969
FDIC	250,580

As of June 30, 2015, the District did not hold any long-term investments.

**NOTE 2: Cash and Cash Equivalents and Investments (Continued)****Custodial Credit Risk – Deposits**

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The District does not have a formal policy for custodial credit risk.

**NOTE 3: General Long-Term Debt**

During the fiscal year ended June 30, 2015, the following changes occurred in liabilities reported in the general long-term debt account group:

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>	<u>Long-Term</u> <u>Portion</u>	<u>2015-16</u> <u>Payment</u>
Compensated Absences Payable	\$ 1,012,118	98,529		1,110,647	110,647	
Capital Leases	952,796		248,177	704,619	455,290	249,329
Bonds Payable	5,885,000		470,000	5,415,000	4,930,000	485,000
Pension Liability	<u>                    </u>	<u>7,511,141</u>	<u>                    </u>	<u>7,511,141</u>	<u>7,511,141</u>	<u>                    </u>
	<u>\$ 7,849,914</u>	<u>7,609,670</u>	<u>718,177</u>	<u>14,741,407</u>	<u>13,007,078</u>	<u>734,329</u>

**Capital Leases**

Capital lease for equipment for \$400,000 dated June 12, 2012 for four years at 1.36% interest maturing July 12, 2015 with a balance of \$101,807 at June 30, 2015.

Capital lease for equipment for \$751,000 dated May 20, 2014 for five years at 1.42% Interest maturing July 20, 2018 with a balance of \$602,812 at June 30, 2015.

**Schedule of Capital Leases**

<b><u>2012 Lease</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2015-2016	<u>\$ 101,807</u>	<u>1,851</u>	<u>103,658</u>
<b><u>2014 Lease</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2015-2016	\$ 147,522	8,584	156,106
2016-2017	149,623	6,483	156,106
2017-2018	151,753	4,353	156,106
2018-2019	<u>153,914</u>	<u>2,192</u>	<u>156,106</u>
	<u>\$ 602,812</u>	<u>21,612</u>	<u>624,424</u>

**NOTE 3: General Long-Term Debt (Continued)**

**Bonds Payable**

Bonds sold 8/15/2004 for \$9,219,000 at interest from 3.50% to 4.50% maturing 2/15/2025 with a balance of \$5,415,000 at June 30, 2015.

**Schedule of Payments**

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 485,000	203,100	688,100
2017	515,000	188,550	703,550
2018	530,000	173,100	703,100
2019	540,000	151,900	691,900
2020	545,000	130,300	675,300
2021/2025	<u>2,800,000</u>	<u>329,800</u>	<u>3,129,800</u>
	<u>\$ 5,415,000</u>	<u>1,176,750</u>	<u>6,591,750</u>

**NOTE 4: Pension Plans**

**Description of Plans** – All required employees of the District are covered by either the Public Employees’ Retirement System or the Teachers’ Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teacher’s Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

**Teachers’ Pension and Annuity Fund (TPAF)** – The Teachers’ Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers’ Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system’s other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

**Public Employees’ Retirement System (PERS)** – The Public Employees’ Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

**NOTE 4: Pension Plans (Continued)**

**Vesting and Benefit Provisions** – The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provide for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provision of the System.

Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contribution. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

**Significant Legislation** - During the year ended June 30, 1997, legislation was enacted Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997), changed the asset valuation method from market related value to full-market value. This legislation also contains a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the Districts' normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits, accordingly, the pension costs for TPAF and PERS were reduced.

**Funding Policy** – The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 6.78% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

**NOTE 4: Pension Plans (Continued)**

Legislation enacted during 1993 provides early retirement incentives for certain members of TPAF and PERS who met certain age and service requirements and who applied for retirement between certain dates in the 1994 fiscal year. The early retirement incentives included: (a) an additional five years of service credit for employees at least age 50 with a minimum of 25 years of service; (b) free health benefits for employees at least 60 years old with at least 20 years of service; and (c) an additional \$500 per month for two years for employees at least age 60 with 10 years but less than 20 years of service. The Board will assume the increased cost for the early retirement as it affects their districts.

The District's contributions to PERS for the year ended June 30, 2015 was \$317,033 for 2014 and \$331,725 for 2015, respectively, equal to the required contributions for each year.

During the year ended June 30, 2015, the State of New Jersey contributed \$1,934,444 to the TPAF pension benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$1,113,607 during the year ended June 30, 2015 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts have been included in the general-purpose financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditure in accordance with GASB 24.

**Three-Year Trend Information for TPAF**

<b>Year</b>	<b>Annual</b>	<b>Percentage</b>	<b>Net</b>
<b><u>Funding</u></b>	<b><u>Pension</u></b>	<b><u>of APC</u></b>	<b><u>Pension</u></b>
	<b><u>Cost (APC)</u></b>	<b><u>Contributed</u></b>	<b><u>Obligation</u></b>
6/30/15	\$ 1,934,444	100%	0
6/30/14	1,589,690	100%	0
6/30/13	1,908,518	100%	0

**Three-Year Trend Information for PERS**

<b>Year</b>	<b>Annual</b>	<b>Percentage</b>	<b>Net</b>
<b><u>Funding</u></b>	<b><u>Pension</u></b>	<b><u>of APC</u></b>	<b><u>Pension</u></b>
	<b><u>Cost (APC)</u></b>	<b><u>Contributed</u></b>	<b><u>Obligation</u></b>
6/30/15	\$ 331,725	100%	0
6/30/14	317,033	100%	0
6/30/13	305,256	100%	0

**NOTE 4: Pension Plans (Continued)****Pension Expense Deferred Outflows/Inflows – PERS**

For the year ended June 30, 2015, the District recognized pension expense of \$331,725. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Difference Between Expected and Actual Experience	\$	
Changes of Assumptions	236,191	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		447,623
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions		137,683
District Contributions Subsequent to the Measurement Date	<u>331,725</u>	<u>          </u>
Total	<u>\$ 567,916</u>	<u>585,306</u>

\$567,916 reported as deferred outflows of resources related to pensions resulting from school district, charter school, or renaissance school project contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2015, the plan measurement date is June 30, 2014) will be recognized as a reduction of the net pension liability in the year ended June 30, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Additional Information**

Collective balances at December 31, 2013 and 2014 are as follows:

	<b><u>Dec. 31, 2014</u></b>	<b><u>Dec. 31, 2013</u></b>
Collective Deferred Outflows of Resources	\$ 567,916	
Collective Deferred Inflows of Resources	585,306	
Collective Net Pension Liability	7,511,141	7,830,293
District's Proportion	.04012%	.04097%

**NOTE 4: Pension Plans (Continued)****Components of Net Pension Liability**

The components of the net pension liability of the participating employers for PERS as of June 30, 2014 and 2013 are as follows:

	<b>2014</b>		
	<u>State</u>	<u>Local</u>	<u>Total</u>
Total Pension Liability	\$ 28,777,950,141	39,071,470,586	67,849,420,727
Plan Fiduciary Net Position	<u>8,650,846,191</u>	<u>20,348,735,583</u>	<u>28,999,581,774</u>
Net Pension Liability	<u>\$ 20,127,103,950</u>	<u>18,722,735,003</u>	<u>38,849,838,953</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	30.06%	52.08%	42.74%

	<b>2013</b>		
	<u>State</u>	<u>Local</u>	<u>Total</u>
Total Pension Liability	\$ 27,515,277,069	37,272,295,162	64,787,572,231
Plan Fiduciary Net Position	<u>8,216,653,950</u>	<u>18,160,308,251</u>	<u>26,376,962,201</u>
Net Pension Liability	<u>\$ 19,298,623,119</u>	<u>19,111,986,911</u>	<u>38,410,610,030</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	29.86%	48.72%	40.71%

The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2103, which was rolled forward to June 30, 2014. The total pension liability for the June 30, 2013 measurement date was determined by an actuarial valuation as of July 1, 2013. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	3.01%
Salary Increases:	
2012-2021	2.15% - 4.40% Based on Age
Thereafter	3.15% – 5.40% Based on Age
Investment Rate of Return	7.90%

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for females) with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA.

The actuarial assumptions used in the July 1, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011.

**NOTE 4: Pension Plans (Continued)****Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	6.00%	0.80%
Core Bonds	1.00%	2.49%
Intermediate-Term Bonds	11.20%	2.26%
Mortgages	2.50%	2.17%
High Yield Bonds	5.50%	4.82%
Inflation-Indexed Bonds	2.50%	3.51%
Broad US Equities	25.90%	8.22%
Developed Foreign Equities	12.70%	8.12%
Emerging Market Equities	6.50%	9.91%
Private Equity	8.25%	13.02%
Hedge Funds/Absolute Return	12.25%	4.92%
Real Estate (Property)	3.20%	5.80%
Commodities	2.50%	5.35%

**Discount Rate**

The discount rate used to measure the total pension liability was 5.39% and 5.55% as of June 30, 2014 and 2013, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 4.29% and 4.63% as of June 30, 2014 and 2013, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**NOTE 4: Pension Plans (Continued)****Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate**

The following presents the collective net pension liability of the participating employers as of June 30, 2014 and 2013, respectively, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>2014</u>		
	<u>At 1%</u>	<u>At Current</u>	<u>At 1%</u>
	<u>Decrease (4.39%)</u>	<u>Discount</u>	<u>Increase (6.39%)</u>
State	\$ 23,772,450,916	20,127,103,950	17,069,920,644
Local	<u>23,553,838,159</u>	<u>18,722,735,003</u>	<u>14,665,837,859</u>
Total	<u>\$ 47,326,289,075</u>	<u>38,849,838,953</u>	<u>31,735,758,503</u>
	<u>2013</u>		
	<u>At 1%</u>	<u>At Current</u>	<u>At 1%</u>
	<u>Decrease (4.55%)</u>	<u>Discount</u>	<u>Increase (6.55%)</u>
State	\$ 22,822,255,839	19,298,623,119	16,351,193,705
Local	<u>23,791,905,551</u>	<u>19,111,986,911</u>	<u>15,190,834,283</u>
Total	<u>\$ 46,614,161,390</u>	<u>38,410,610,030</u>	<u>31,542,027,988</u>

**Teachers Pensions and Annuity Fund (TPAF)****Components of Net Pension Liability**

The components of the net pension liability of the State as of June 30, 2014 and 2013 are as follows:

	<u>2014</u>	<u>2013</u>
Total Pension Liability	\$ 81,095,320,000	76,678,639,671
Plan Fiduciary Net Position	<u>27,282,252,461</u>	<u>25,888,126,040</u>
Net Pension Liability	<u>\$ 53,813,067,539</u>	<u>50,790,513,631</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	33.64%	33.76%

**NOTE 4: Pension Plans (Continued)****State Proportionate Share of Net Pension Liability Attributable to District**

	<u>2014</u>	<u>2013</u>
District's Liability	<u>\$ 76,086,770</u>	<u>70,057,721</u>
District's Proportion	.14139%	.13793%

The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013, which was rolled forward to June 30, 2014. The total pension liability for the June 30, 2013 measurement date was determined by an actuarial valuation as of July 1, 2013. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	2.50%
Salary Increases: 2012-2021	Varies Based on Experience
Thereafter	Varies Based on Experience
Investment Rate of Return	7.90%

Mortality rates were based on the RP-2000 Health Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA. Pre-retirement mortality improvements for active members are projected using Scale AA from the base year of 2000 until the valuation date plus 15 years to account for future mortality improvements. Post-retirement mortality improvements for non-disabled annuitants are projected using Scale AA from the base year of 2000 for males and 2003 for females until the valuation date plus 7 years to account for future mortality improvement.

The actuarial assumptions used in the July 1, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2012.

**NOTE 4: Pension Plans (Continued)****Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2014 are summarized in the following table:

<b><u>Asset Class</u></b>	<b><u>Target Allocation</u></b>	<b><u>Long-Term Expected Real Rate of Return</u></b>
Cash	6.00%	0.50%
Core Fixed Income	0.00%	2.19%
Core Bonds	1.00%	1.38%
Short-Term Bonds	0.00%	1.00%
Intermediate-Term Bonds	11.20%	2.60%
Long-Term Bonds	0.00%	3.23%
Mortgages	2.50%	2.84%
High Yield Bonds	5.50%	4.15%
Non-US Fixed Income	0.00%	1.41%
Inflation-Indexed Bonds	2.50%	1.30%
Broad US Equities	25.90%	5.88%
Large Cap US Equities	0.00%	5.62%
Mid Cap US Equities	0.00%	6.39%
Small Cap US Equities	0.00%	7.39%
Developed Foreign Equities	12.70%	6.05%
Emerging Market Equities	6.50%	8.90%
Private Equity	8.25%	9.15%
Hedge Funds/Absolute Return	12.25%	3.85%
Real Estate (Property)	3.20%	4.43%
Real Estate (REITS)	0.00%	5.58%
Commodities	2.50%	3.60%
Long Credit Bonds	0.00%	3.74%

**NOTE 4: Pension Plans (Continued)****Discount Rate**

The discount rate used to measure the total pension liability was 4.68% and 4.95% as of June 30, 2014 and 2013, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 4.29% and 4.63% as of June 30, 2014 and 2013, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2027. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2027, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the State as of June 30, 2014 calculated using the discount rate as disclosed above as well as what the State's net pension liability would be if it was calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>At 1% Decrease</u>	<u>At Current Discount Rate</u>	<u>At 1% Increase</u>
2014 (3.68%, 4.68%, 5.68%)	\$ 64,722,984,539	53,813,067,539	44,738,870,539
2013 (3.95%, 4.95%, 5.95%)	61,017,578,926	50,790,513,631	42,351,665,847

**NOTE 5: Post-Retirement Benefits**

P.L. 1987, c. 384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c. 103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2014, there were 103,432 retirees receiving post-retirement medical benefits, and the State contributed \$1.04 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a prefunding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992 c. 126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$165.8 million toward Chapter 126 benefits for 18,122 eligible retired members in Fiscal Year 2014.

**NOTE 6: Interfund Receivables and Payables**

	<u>From</u>	<u>To</u>
Special Revenue Fund	\$ 98,959	
General Fund	_____	98,959
	<u>\$ 98,959</u>	<u>98,959</u>

**NOTE 7: Compensated Absences**

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the right to the benefits.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee unions.

The liability for vested compensated absences of the governmental fund types is recorded in the general long-term debt account group (or current and long-term liabilities). The current portion of the compensated absences balance of the governmental funds is not considered material to the applicable funds total liabilities, and therefore is not shown separately from the long-term liability balance of compensated absences.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2015, no liability existed for compensated absences in the Food Service Fund.

**NOTE 8: Economic Dependency**

The District receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect of the District's programs and activities.

**NOTE 9: Capital Reserve Account**

A capital reserve account was established by the Borough of Roselle Park Board of Education by inclusion of \$100 in 1999, for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

**NOTE 9: Capital Reserve Account (Continued)**

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-5.1(d) 7, the balances in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2014 to June 30, 2015 fiscal year is as follows:

Beginning Balance, July 1, 2014	<u>\$ 100</u>
Ending Balance, June 30, 2015	<u>\$ 100</u>

**NOTE 10: Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

**Property and Liability Insurance** – The District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

**New Jersey Unemployment Compensation Insurance** – The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current year and previous year:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Reimbursed</u>	<u>Balance</u>
2014-2015	\$ 0	64,275	48,702	82,965
2013-2014	0	33,232	14,208	67,392
2012-2013	0	30,022	31,259	48,368

**NOTE 11: Contingent Liabilities**

The Board is involved in several claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect of the financial position of the District.

**NOTE 12: Equity Balance**

At June 30, 2015, the General Fund equity balance was as follows:

Maintenance Reserve	\$ 144,782
Restricted Fund Balance:	
Capital Reserve	100
Excess Surplus	211,877
Designated for Subsequent Years Expenditures – Excess Surplus	346,737
Committed Fund Balance:	
Year-End Encumbrances	1,007,237
Unassigned Fund Balance	<u>711,508</u>
	<u>\$ 2,422,241</u>

**2% Calculation of Excess Surplus**

2014-15 Total General Fund Expenditures Per the CAFR	\$ 33,822,528
Decreased by:	
On-Behalf TPAF Pension & Social Security	<u>(3,048,051)</u>
Adjusted 2014-15 General Fund Expenditures	<u>\$ 30,774,477</u>
2% of Adjusted 2014-15 General Fund Expenditures	\$ 615,489
Increased by Allowable Adjustments	<u>96,019</u>
Maximum Unassigned Fund Balance	<u>\$ 711,508</u>

**Section 2**

Total General Fund – Fund Balance @ 6-30-15 \$ 2,422,241

Decreased by:

Reserved for Encumbrances	(1,007,237)
Designated for Subsequent Years Expenditures – Excess Surplus	(346,737)
Capital Reserve	<u>(144,882)</u>

Total Unassigned Fund Balance \$ 923,385

**Section 3**

Reserved Fund Balance – Excess Surplus 2014-2015 \$ 346,737

Excess Surplus 211,877

\$ 558,614

**NOTE 12: Equity Balance (Continued)****2% Calculation of Excess Surplus (Continued)****Detail of Allowable Adjustments**

Extraordinary Aid	<u>\$ 96,019</u>
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**Detail of Other Reserved Fund Balance**

Maintenance Reserve	\$ 144,782
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Capital Reserve	<u>100</u>
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	<u>\$ 144,882</u>
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Reserved excess surplus represents a calculation under N.J.S.A. 18A:7F-7 which identifies an amount of surplus under the statute which must be restricted for use in the next succeeding budget. Designated for subsequent year's represents the amount appropriated in the 2015-2016 budget.

Unrestricted is surplus not previously committed or reserved for any other purpose.

**NOTE 13: Significant Accounting Pronouncements**

In June 2009, the FASB issued FASB ASC 105, Generally Accepted Accounting Principles, which establishes the FASB Accounting Standards Codification as the sole source of authoritative generally accepted accounting principles. Pursuant to the provisions of FASB ASC 105, the District has updated references to GAAP in its financial statements issued for the period ended June 30, 2015. The adoption of FASB ASC 105 did not impact the District's financial position or results of operations.

In May 2009, the FASB updated ASC 855, Subsequent Events, which is effective for reporting periods ending after June 15, 2009. ASC 855 establishes general standards of accounting for and disclosure of events that occur after the balance sheet date, but before the financial statements are issued, or are available to be issued. The District adopted the amended sections of ASC 855 and it did not have an impact on the District's financial statements. The District evaluated all events or transactions that occurred after June 30, 2015 through December 3, 2015.

**REQUIRED SUPPLEMENTARY INFORMATION  
PART II**

**BUDGETARY COMPARISON SCHEDULES – C**

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit C-1  
Sheet 1 of 12

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 19,183,851		19,183,851	19,183,851	-
Tuition	441,734		441,734	283,561	(158,173)
Other Restricted Miscellaneous Revenues	91,262		91,262	72,000	(19,262)
Unrestricted Miscellaneous Revenues	8,500		8,500	13,919	5,419
Total Local Sources	<u>19,725,347</u>	<u>-</u>	<u>19,725,347</u>	<u>19,553,331</u>	<u>(172,016)</u>
State Sources:					
Equalization Aid	9,176,611		9,176,611	9,176,611	-
Special Education Aid	1,140,860		1,140,860	1,140,860	-
Extraordinary Aid	200,000		200,000	296,019	96,019
Security Aid	85,714		85,714	85,714	-
Transportation Aid	19,838		19,838	19,838	-
Additional Adjustment Aid	1		1	1	-
PARCC Readiness Aid	18,620		18,620	18,620	-
Per Pupil Growth Aid	18,620		18,620	18,620	-
On-Behalf TPAF Pension Contribution (Non-Budgeted)			-	1,934,444	1,934,444
Reimbursed TPAF Social Security Contribution (Non-Budgeted)			-	1,113,607	1,113,607
Total State Sources	<u>10,660,264</u>	<u>-</u>	<u>10,660,264</u>	<u>13,804,334</u>	<u>3,144,070</u>
Federal Sources:					
Medicaid Reimbursement	28,229		28,229	83,615	55,386
Total Federal Sources	<u>28,229</u>	<u>-</u>	<u>28,229</u>	<u>83,615</u>	<u>55,386</u>
Total Revenues	<u>30,413,840</u>	<u>-</u>	<u>30,413,840</u>	<u>33,441,280</u>	<u>3,027,440</u>

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit C-1  
Sheet 2 of 12

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Expenditures:					
Current Expense:					
Instruction - Regular Programs:					
Salaries of Teachers:					
Kindergarten	200,910	198,219	399,129	399,129	-
Grades 1-5	3,273,797	(6,911)	3,266,886	3,266,885	1
Grades 6-8	1,980,228	22,400	2,002,628	2,002,628	-
Grades 9-12	3,211,897	(31,466)	3,180,431	3,180,431	-
Home Instruction:					
Salaries of Teachers	4,500	7,633	12,133	12,132	1
Purchased Professional Educational Services	13,000	(1,244)	11,756	11,515	241
Undistributed:					
Purchased Professional/Educational Services	1,000		1,000	1,000	-
Purchased Technical Services	9,700	4,588	14,288	7,645	6,643
Other Purchased Services	345,658	339,071	684,729	423,677	261,052
General Supplies	157,462	155,667	313,129	232,498	80,631
Textbooks		79,049	79,049	77,408	1,641
Other Objects	1,800	375	2,175	200	1,975
Total Regular Programs	<u>9,199,952</u>	<u>767,381</u>	<u>9,967,333</u>	<u>9,615,148</u>	<u>352,185</u>
Learning and/or Language Disabilities:					
Specific Learning Disabled:					
Salaries of Teachers	141,875	3,121	144,996	144,996	-
Other Salaries for Instruction	80,392	(68,565)	11,827	11,826	1
General Supplies	5,500	539	6,039	6,038	1
Total Specific Learning Disabled	<u>227,767</u>	<u>(64,905)</u>	<u>162,862</u>	<u>162,860</u>	<u>2</u>

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit C-1  
Sheet 3 of 12

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Multiple Disabilities					
Salaries of Teachers	204,195	(52,036)	152,159	152,158	1
Other Salaries for Instruction	88,754	(56,736)	32,018	32,017	1
Other Purchased Services	1,500		1,500	140	1,360
General Supplies	3,500	(2,391)	1,109	820	289
Other Objects	250		250	54	196
Total Multiple Disabilities	<u>298,199</u>	<u>(111,163)</u>	<u>187,036</u>	<u>185,189</u>	<u>1,847</u>
Resource Room:					
Salaries of Teachers	1,461,740	20,981	1,482,721	1,482,721	-
General Supplies	12,500	(4,947)	7,553	7,177	376
Textbooks	900		900		900
Total Resource Room	<u>1,475,140</u>	<u>16,034</u>	<u>1,491,174</u>	<u>1,489,898</u>	<u>1,276</u>
Autism					
Salaries-Teachers		54,021	54,021	54,021	
Other Salaries for Instruction		41,446	41,446	41,446	
Total-Autism	<u>-</u>	<u>95,467</u>	<u>95,467</u>	<u>95,467</u>	<u>-</u>
Preschool Disabilities Part-Time:					
Salaries of Teachers	123,833	36,903	160,736	160,736	-
Other Salaries for Instruction	80,550	(77,146)	3,404	3,403	1
General Supplies	3,550		3,550	1,671	1,879
Other Objects	500		500		500
Total Preschool Disabilities Part-Time	<u>208,433</u>	<u>(40,243)</u>	<u>168,190</u>	<u>165,810</u>	<u>2,380</u>

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit C-1  
Sheet 4 of 12

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Preschool Disabilities Full-Time:					
Salaries of Teachers	123,164	(10,340)	112,824	112,823	1
Other Salaries for Instruction	46,075	(45,075)	1,000		1,000
Other Objects	300		300		300
Total Preschool Handicapped	<u>169,539</u>	<u>(55,415)</u>	<u>114,124</u>	<u>112,823</u>	<u>1,301</u>
 Total Special Programs	 <u>2,379,078</u>	 <u>(160,225)</u>	 <u>2,218,853</u>	 <u>2,212,047</u>	 <u>6,806</u>
 Basic Skills/Remedial:					
Salaries of Teachers	331,216	56,678	387,894	387,893	1
Total Basic Skills/Remedial	<u>331,216</u>	<u>56,678</u>	<u>387,894</u>	<u>387,893</u>	<u>1</u>
 Bilingual Education:					
Salaries of Teachers	550,733	(2,034)	548,699	544,525	4,174
Total Bilingual Education	<u>550,733</u>	<u>(2,034)</u>	<u>548,699</u>	<u>544,525</u>	<u>4,174</u>
 School Sponsored Co-Curricular & Extra-Curricular Activities:					
Salaries	105,000	19,838	124,838	124,838	-
Supplies		105	105		105
Total Co-Curricular & Extra-Curricular Activities	<u>105,000</u>	<u>19,943</u>	<u>124,943</u>	<u>124,838</u>	<u>105</u>
 School Sponsored Athletics:					
Salaries	306,744	993	307,737	299,477	8,260
Other Purchased Services	33,200	(3,584)	29,616	20,860	8,756
Supplies and Materials	51,500	6,835	58,335	54,885	3,450
Other Objects	17,750	1,628	19,378	19,378	-
Transfers to Cover Deficit	52,100		52,100	49,100	3,000
Total School Sponsored Athletics	<u>461,294</u>	<u>5,872</u>	<u>467,166</u>	<u>443,700</u>	<u>23,466</u>

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit C-1  
Sheet 5 of 12

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Academy Program					
Salaries	236,455	(41,626)	194,829	194,828	1
Other Professional Salaries	28,701	(8,097)	20,604	20,604	-
Other Purchased Services		3,657	3,657	2,889	768
Supplies and Materials	3,300	(1,483)	1,817	1,309	508
Total Academy Program	<u>268,456</u>	<u>(47,549)</u>	<u>220,907</u>	<u>219,630</u>	<u>1,277</u>
Community Services:					
Salaries	134,277	(12,303)	121,974	112,642	9,332
Supplies	2,000		2,000		2,000
Total Community Services	<u>136,277</u>	<u>(12,303)</u>	<u>123,974</u>	<u>112,642</u>	<u>11,332</u>
Total Instruction	<u>13,432,006</u>	<u>627,763</u>	<u>14,059,769</u>	<u>13,660,423</u>	<u>399,346</u>
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEA In State-Regular		3,293	3,293	3,293	-
Tuition to Other LEA in State-Special	40,358	7,164	47,522	47,522	-
Tuition-Magnet Schools	360,000	(24,000)	336,000	336,000	-
Tuition to County Vocational School	199,500	(20,500)	179,000	179,000	-
Tuition to County Vocational School - Special	60,000	(48,000)	12,000	9,600	2,400
Tuition To CSSD & Regular Day Schools	460,000	(50,237)	409,763	403,161	6,602
Tuition to Private Schools - Handicapped Within State	470,000	42,366	512,366	508,550	3,816
Tuition-Other		7,218	7,218	7,218	-
Tuition-State Facilities	17,699	(17,699)	-		-
Total Undistributed Expenditures - Instruction	<u>1,607,557</u>	<u>(100,395)</u>	<u>1,507,162</u>	<u>1,494,344</u>	<u>12,818</u>

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit C-1  
Sheet 6 of 12

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Attendance and Social Work Services:					
Salaries	20,630		20,630	20,629	1
Other Purchased Services	2,000	6,605	8,605	8,605	-
<b>Total Attendance and Social Work Services</b>	<b>22,630</b>	<b>6,605</b>	<b>29,235</b>	<b>29,234</b>	<b>1</b>
Health Services:					
Salaries	350,491	(15,354)	335,137	335,136	1
Purchased Professional and Technical Services	15,000	(4,203)	10,797	9,902	895
Supplies and Materials	6,742	2,320	9,062	6,256	2,806
<b>Total Health Services</b>	<b>372,233</b>	<b>(17,237)</b>	<b>354,996</b>	<b>351,294</b>	<b>3,702</b>
Other Support Services - Students - Related Services:					
Salaries of Teachers	332,084	(43,423)	288,661	288,661	-
Other Professional Salaries	33,014	3,219	36,233	36,233	-
Purchased Professional-Educational Services	20,000	67,039	87,039	60,298	26,741
Supplies and Materials	2,500		2,500	1,418	1,082
<b>Total Other Support Services - Students - Related Services</b>	<b>387,598</b>	<b>26,835</b>	<b>414,433</b>	<b>386,610</b>	<b>27,823</b>
Other Support Services - Students - Extraordinary Services:					
Salaries	71,983		71,983	71,983	-
Other Salaries for Instruction	257,198	37,207	294,405	294,404	1
Purchased Professional Services	5,000	9,368	14,368	7,269	7,099
<b>Total Other Support Services - Students - Extraordinary Services</b>	<b>334,181</b>	<b>46,575</b>	<b>380,756</b>	<b>373,656</b>	<b>7,100</b>

**ROSELLE PARK SCHOOL DISTRICT**

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Guidance Services:					
Salaries of Other Professional Staff	867,568	3,221	870,789	870,789	-
Salaries of Secretarial Assistants	111,292	955	112,247	112,247	-
Supplies and Materials	2,000	1,919	3,919	3,919	-
Total Guidance Services	<u>980,860</u>	<u>6,095</u>	<u>986,955</u>	<u>986,955</u>	<u>-</u>
Child Study Team Services:					
Salaries of Other Professional Staff	709,409		709,409	706,799	2,610
Salaries of Secretarial/Clerical Assistants	64,425		64,425	62,592	1,833
Other Purchased Professional Services	10,000	9,983	19,983	10,783	9,200
Miscellaneous Purchased Services	250	345	595	418	177
Supplies and Materials	4,000	3,998	7,998	2,656	5,342
Other Objects	100	632	732	731	1
Total Child Study Team Services	<u>788,184</u>	<u>14,958</u>	<u>803,142</u>	<u>783,979</u>	<u>19,163</u>
Improvement of Instruction:					
Salaries of Supervisors of Instruction	56,400	2,578	58,978	58,977	1
Salaries of Other Professional Staff	2,500		2,500	2,292	208
Salaries of Secretarial Assistants	54,745		54,745	54,745	-
Supplies and Materials	57,300	21,730	79,030	61,340	17,690
Other Objects	1,000	166	1,166	1,166	-
Total Improvement of Instruction	<u>171,945</u>	<u>24,474</u>	<u>196,419</u>	<u>178,520</u>	<u>17,899</u>
Library/Media Services:					
Salaries	281,159	(92,732)	188,427	187,791	636
Other Purchased Services	6,000	1,055	7,055	7,055	-
Supplies and Materials	9,079	11,593	20,672	16,087	4,585
Total Educational Media Services	<u>296,238</u>	<u>(80,084)</u>	<u>216,154</u>	<u>210,933</u>	<u>5,221</u>

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit C-1  
Sheet 8 of 12

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Staff Development:					
Salaries - Supervisors of Instruction	58,709	269	58,978	58,978	-
Purchased Professional Educational Services	11,000	2,040	13,040	9,459	3,581
Other Purchased Services	6,000	18,076	24,076	23,441	635
Supplies and Materials	1,500	3,879	5,379	5,378	1
Total Staff Development	<u>77,209</u>	<u>24,264</u>	<u>101,473</u>	<u>97,256</u>	<u>4,217</u>
General Administration:					
Salaries	246,381	(1,501)	244,880	244,879	1
Legal Services	90,000	27,409	117,409	104,352	13,057
Audit Fees	20,000	(1,500)	18,500	18,500	-
Other Purchased Professional Services	10,000		10,000	9,200	800
Communications/Telephone	76,300	(13,731)	62,569	60,207	2,362
BOE Other Purchased Services	2,500	(1,320)	1,180	400	780
Miscellaneous Purchased Services	160,000	(33,287)	126,713	126,712	1
General Supplies	5,000		5,000	4,954	46
Miscellaneous Expenditures	14,000	12,410	26,410	18,421	7,989
BOE Membership Dues and Fees	15,000	(86)	14,914	14,570	344
Total General Administration	<u>639,181</u>	<u>(11,606)</u>	<u>627,575</u>	<u>602,195</u>	<u>25,380</u>
School Administration:					
Salaries of Principals/Assistants	890,607	(25,773)	864,834	864,834	-
Salaries of Secretarial and Clerical Assistants	400,145	9,644	409,789	409,789	-
Other Purchased Services	5,880	482	6,362	5,969	393
Supplies and Materials	7,300	(1,786)	5,514	5,324	190
Other Objects	750	6,903	7,653	7,650	3
Total School Administration	<u>1,304,682</u>	<u>(10,530)</u>	<u>1,294,152</u>	<u>1,293,566</u>	<u>586</u>

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit C-1  
Sheet 9 of 12

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Business/Central Services:					
Salaries	306,197	15,437	321,634	321,634	-
Miscellaneous Purchased Services	6,000	(1,719)	4,281	4,281	-
Supplies and Materials	7,000	(3,114)	3,886	3,310	576
Miscellaneous Expenditures	1,700		1,700	1,440	260
Total Business/Central Services	<u>320,897</u>	<u>10,604</u>	<u>331,501</u>	<u>330,665</u>	<u>836</u>
Technology Services:					
Salaries	58,260	9,440	67,700	67,699	1
Purchased Technical Services	17,815	(832)	16,983	13,793	3,190
Other Purchased Services	8,000	(4,430)	3,570	1,320	2,250
Supplies and Materials	47,600	4,257	51,857	46,734	5,123
Other Objects	6,000		6,000	4,437	1,563
Total Technology Services	<u>137,675</u>	<u>8,435</u>	<u>146,110</u>	<u>133,983</u>	<u>12,127</u>
Required Maintenance of School Facilities:					
Salaries	208,102	1,923	210,025	208,807	1,218
Cleaning, Repair & Maintenance Services	377,000	96,598	473,598	296,302	177,296
General Supplies	124,000	8,432	132,432	112,516	19,916
Other Objects		85	85	85	-
Total Required Maintenance of School Facilities	<u>709,102</u>	<u>107,038</u>	<u>816,140</u>	<u>617,710</u>	<u>198,430</u>

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit C-1  
Sheet 10 of 12

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Operation of Plant:					
Salaries	903,725	(26,074)	877,651	874,041	3,610
Purchased Professional Services	90,000	63,906	153,906	153,905	1
Purchased Professional and Technical Services	7,000	54,744	61,744	61,743	1
Cleaning, Repair, Maintenance Services	77,700	46,492	124,192	83,539	40,653
Rental of Land and Buildings	133,296		133,296	133,296	-
Other Purchased Property Services	48,600	13,962	62,562	57,630	4,932
Insurance	50,000	46,943	96,943	96,942	1
Miscellaneous Purchased Services	2,000	(1,520)	480	480	-
General Supplies	75,000	65,138	140,138	73,868	66,270
Energy (Electricity)	280,000	10,144	290,144	318,547	(28,403)
Other Objects	1,000	1,092	2,092	2,092	-
Energy(Natural Gas)	257,500	(14,467)	243,033	177,003	66,030
Total Operations and Maintenance of Plant	<u>1,925,821</u>	<u>260,360</u>	<u>2,186,181</u>	<u>2,033,086</u>	<u>153,095</u>
 Total Operations and Maintenance of Plant Services	 <u>2,634,923</u>	 <u>367,398</u>	 <u>3,002,321</u>	 <u>2,650,796</u>	 <u>351,525</u>
 Student Transportation Services:					
Salaries of Non-Instructional Aides	16,000	562	16,562	14,249	2,313
Salaries Pupil Transportation-Special Education	29,000	(6,682)	22,318	22,318	-
Salaries Pupil Transportation-Other Bet. Home & School	70,000	(2,114)	67,886	67,886	-
Cleaning, Repair & Maint.	15,000	7,763	22,763	21,481	1,282
Contracted Services - Other than Bet. Home & School - Vendor	30,000	13,267	43,267	40,473	2,794
Contracted Services - Regular-ESCs & CTSA's	105,000	32,892	137,892	115,150	22,742
Transportation - Special Ed- ESC & CTSA's	190,000	12,976	202,976	193,811	9,165
Supplies	3,000	(1,572)	1,428	634	794
Miscellaneous Expenditures	1,500	3,084	4,584	4,416	168
Total Student Transportation Services	<u>459,500</u>	<u>60,176</u>	<u>519,676</u>	<u>480,418</u>	<u>39,258</u>

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit C-1  
Sheet 11 of 12

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Employee Benefits:					
Social Security Contributions	405,000	55,367	460,367	330,337	130,030
Other Retirement Contributions-PERS	368,724	(29,995)	338,729	331,725	7,004
Unemployment Compensation			-		-
Workmen's Compensation	170,000	(12,938)	157,062	156,971	91
Health Benefits	5,748,541	214,881	5,963,422	5,762,076	201,346
Tuition Reimbursement	75,000	5,766	80,766	21,825	58,941
Other Employee Benefits	230,700	(179,780)	50,920	45,906	5,014
Total Personal Services Employee Benefits	<u>6,997,965</u>	<u>53,301</u>	<u>7,051,266</u>	<u>6,648,840</u>	<u>402,426</u>
On-Behalf TPAF Pension Contribution (Non-Budgeted)		-		1,934,444	(1,934,444)
Reimbursed TPAF Social Security Contribution (Non-Budgeted)				1,113,607	(1,113,607)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,048,051</u>	<u>(3,048,051)</u>
Total Undistributed Expenditures	<u>17,533,458</u>	<u>429,868</u>	<u>17,963,326</u>	<u>20,081,295</u>	<u>(2,117,969)</u>
Total Expenditures - Current Expense	<u>30,965,464</u>	<u>1,057,631</u>	<u>32,023,095</u>	<u>33,741,718</u>	<u>(1,718,623)</u>
Capital Outlay:					
Facilities Improvements:					
Construction Services	38,632		38,632	38,632	-
Debt Service Assessment	32,536		32,536	32,536	-
Total Facilities Improvements	<u>71,168</u>	<u>-</u>	<u>71,168</u>	<u>71,168</u>	<u>-</u>
Total Capital Outlay	<u>71,168</u>	<u>-</u>	<u>71,168</u>	<u>71,168</u>	<u>-</u>
Transfer of Funds to Charter Schools	<u>9,642</u>		<u>9,642</u>	<u>9,642</u>	<u>-</u>

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit C-1  
Sheet 12 of 12

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Total Expenditures	31,046,274	1,057,631	32,103,905	33,822,528	(1,718,623)
Excess (Deficiency) of Revs. Over (Under) Expenditures	(632,434)	(1,057,631)	(1,690,065)	(381,248)	1,308,817
Fund Balance July 1	2,803,489		2,803,489	2,803,489	-
Fund Balance June 30	\$ 2,171,055	(1,057,631)	1,113,424	2,422,241	1,308,817
Recapitulation:					
Restricted Fund Balance:					
Excess Surplus				\$ 211,877	
Maintenance Reserve				144,782	
Excess Surplus - Designated for Subsequent Year's Expenditures				346,737	
Committed Fund Balance:					
Capital Reserve				100	
Assigned Fund Balance:					
Year-End Encumbrances				1,007,237	
Unassigned Fund Balance				711,508	
				<u>2,422,241</u>	
Reconciliation to Governmental Fund Statement (GAAP):					
Final State Aid Payments Not Recognized on GAAP Basis				(1,034,148)	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 1,388,093</u>	

**ROSELLE PARK SCHOOL DISTRICT**

**Exhibit C-2**

**BUDGETARY COMPARISON SCHEDULE**

**SPECIAL REVENUE FUND**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Budget Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Revenues:					
Local Sources	\$ -	24,236	24,236	22,224	2,012
Federal Sources	<u>781,027</u>	<u>150,056</u>	<u>931,083</u>	<u>930,785</u>	<u>298</u>
Total Revenues	<u>\$ 781,027</u>	<u>174,292</u>	<u>955,319</u>	<u>953,009</u>	<u>2,310</u>
Expenditures:					
Instruction:					
Salaries of Teachers	\$ 399,754	(64,660)	335,094	333,852	1,242
Other Salaries for Instruction	381,273	(30,099)	351,174	351,174	
Purchased Professional Educational Services		4,027	4,027	4,027	
Tuition		46,014	46,014	46,014	
General Supplies		<u>52,983</u>	<u>52,983</u>	<u>52,463</u>	<u>520</u>
Total Instruction	<u>781,027</u>	<u>8,265</u>	<u>789,292</u>	<u>787,530</u>	<u>1,762</u>
Support Services:					
Salaries of Teachers		3,166	3,166	3,166	
Personal Services - Employee Benefits		92,631	92,631	92,343	288
Purchased Professional and Technical Services		26,713	26,713	26,713	
Other Purchased Services		14,123	14,123	14,123	
Supplies and Materials		<u>11,274</u>	<u>11,274</u>	<u>11,014</u>	<u>260</u>
Total Support Services	<u>-</u>	<u>147,907</u>	<u>147,907</u>	<u>147,359</u>	<u>548</u>
Facilities Acquisition and Construction Services:					
Construction Services		<u>18,120</u>	<u>18,120</u>	<u>18,120</u>	
Total Expenditures	<u>\$ 781,027</u>	<u>174,292</u>	<u>955,319</u>	<u>953,009</u>	<u>2,310</u>

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**ROSELLE PARK SCHOOL DISTRICT****REQUIRED SUPPLEMENTARY INFORMATION**

Exhibit C-3

**BUDGET TO GAAP RECONCILIATION****NOTE TO RSI****FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<b><u>General Fund</u></b>	<b><u>Special Revenue Fund</u></b>
<b><u>Sources/Inflows of Resources</u></b>		
Actual Amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 33,441,280	953,009
Difference - Budget to GAAP: Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized (net)		6,953
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,028,520	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(1,034,148)</u>	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ 33,435,652</u>	<u>959,962</u>
<b><u>Uses/Outflows of Resources</u></b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 33,822,528	953,009
Differences - budget to GAAP: Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes (net)		<u>6,953</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 33,822,528</u>	<u>959,962</u>

**REQUIRED SUPPLEMENTARY INFORMATION – PART III**

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING  
FOR PENSIONS (GASB 68) - L**

**ROSELLE PARK SCHOOL DISTRICT****SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE****NET PENSION LIABILITY - PERS****Exhibit L-1****LAST TWO FISCAL YEARS**

	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability (Asset)	100.000%	100.000%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 7,511,141	7,830,293
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>-</u>	<u>-</u>
Total	<u>\$ 7,511,141</u>	<u>7,830,293</u>
District's Covered-Employee Payroll	\$ 2,794,257	2,792,623
District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its Covered-Employee Payroll	37.20%	35.66%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	42.74%	40.71%

**ROSELLE PARK SCHOOL DISTRICT****SCHEDULE OF DISTRICT CONTRIBUTIONS - PERS**

Exhibit L-2

**LAST TWO FISCAL YEARS**

	<b><u>2014</u></b>	<b><u>2013</u></b>
Contractually Required Contribution	\$ 317,033	305,256
Contributions in Relation to the Contractually Required Contribution	<u>317,033</u>	<u>305,256</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>-</u>
District's Covered-Employee Payroll	\$ 2,794,257	2,792,623
Contributions as a Percentage of Covered-Employee Payroll	11.35%	10.93%

**ROSELLE PARK SCHOOL DISTRICT****SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE****NET PENSION LIABILITY - TPAF****Exhibit L-3****LAST TWO FISCAL YEARS**

	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability (Asset)	0.000%	0.000%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ -	-
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>76,086,770</u>	<u>70,057,721</u>
Total	<u>\$ 76,086,770</u>	<u>70,057,721</u>
District's Covered-Employee Payroll	\$ 14,266,577	13,741,586
District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its Covered-Employee Payroll	18.75%	19.61%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	33.64%	33.76%

**OTHER SUPPLEMENTARY INFORMATION**

**SCHOOL LEVEL SCHEDULES – D**

**N/A**

**SPECIAL REVENUE FUND – E**

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit E-1  
Sheet 1 of 2

**SPECIAL REVENUE FUND**

**COMBINING SCHEDULE OF REVENUES EXPENDITURES - BUDGETARY BASIS**

**JUNE 30, 2015**

	<b><u>Title I</u></b>	<b><u>Title IIA</u></b>	<b><u>Title III</u></b>	<b><u>Title III Immigrant</u></b>	<b><u>IDEA Basic</u></b>	<b><u>IDEA Preschool</u></b>
Revenues:						
Federal Sources	\$ 365,465	41,532	43,729	8,287	457,227	14,545
Local Sources						
Total Revenue	<u>\$ 365,465</u>	<u>41,532</u>	<u>43,729</u>	<u>8,287</u>	<u>457,227</u>	<u>14,545</u>
Expenditures:						
Instruction:						
Salaries of Teachers	\$ 271,865	15,843	36,438	7,698		
Other Salaries for Instruction					337,651	13,523
Purchased Professional Services	4,027					
Tuition					46,014	
General Supplies	26,473				23,894	
Total Instruction	<u>302,365</u>	<u>15,843</u>	<u>36,438</u>	<u>7,698</u>	<u>407,559</u>	<u>13,523</u>
Support Services:						
Salaries of Teachers	1,999	1,167				
Personal Services - Employee Benefits	54,354	3,259	7,291	589	25,828	1,022
Purchased Professional and Technical Services	4,175	4,665			17,873	
Other Purchased Services	2,337	5,819			5,967	
Supplies and Materials	235	10,779				
Total Support Services	<u>63,100</u>	<u>25,689</u>	<u>7,291</u>	<u>589</u>	<u>49,668</u>	<u>1,022</u>
Facilities Acquisition and Construction Services:						
Construction Services						
Total Expenditures	<u>\$ 365,465</u>	<u>41,532</u>	<u>43,729</u>	<u>8,287</u>	<u>457,227</u>	<u>14,545</u>

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit E-1  
Sheet 2 of 2

**SPECIAL REVENUE FUND**

**COMBINING SCHEDULE OF REVENUES EXPENDITURES - BUDGETARY BASIS**

**JUNE 30, 2015**

	<u>Kinder Morgan</u>	<u>Muscle Milk</u>	<u>New Jersey Vet Grant</u>	<u>NJSBAIG Safety Grant</u>	<u>Kids in Need</u>	<u>Totals 2015</u>
Revenues:						
Federal Sources						930,785
Local Sources	<u>2,008</u>	<u>2,035</u>	<u>6</u>	<u>18,120</u>	<u>55</u>	<u>22,224</u>
Total Revenue	<u><u>2,008</u></u>	<u><u>2,035</u></u>	<u><u>6</u></u>	<u><u>18,120</u></u>	<u><u>55</u></u>	<u><u>953,009</u></u>
Expenditures:						
Instruction:						
Salaries of Teachers	2008					333,852
Other Salaries for Instruction						351,174
Purchased Professional Services						4,027
Tuition						46,014
General Supplies		<u>2,035</u>	<u>6</u>		<u>55</u>	<u>52,463</u>
Total Instruction	<u>2,008</u>	<u>2,035</u>	<u>6</u>	<u>-</u>	<u>55</u>	<u>787,530</u>
Support Services:						
Salaries of Teachers						3,166
Personal Services - Employee Benefits						92,343
Purchased Professional and Technical Services						26,713
Other Purchased Services						14,123
Supplies and Materials						<u>11,014</u>
Total Support Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>147,359</u>
Facilities Acquisition and Construction Services:						
Construction Services				<u>18,120</u>		<u>18,120</u>
Total Expenditures	<u><u>2,008</u></u>	<u><u>2,035</u></u>	<u><u>6</u></u>	<u><u>18,120</u></u>	<u><u>55</u></u>	<u><u>953,009</u></u>

**CAPITAL PROJECTS FUND – F**

**N/A**

**PROPRIETARY FUNDS – G**

**ROSELLE PARK SCHOOL DISTRICT**  
**COMBINING SCHEDULE OF NET POSITION**

Exhibit G-1

**ENTERPRISE FUNDS**

**JUNE 30, 2015**

	Business-Type Activities - Enterprise Funds								
	Food Service	Cable 34	Adult School	Staff Computers	Coke Fund	Extended Day Care	Preschool	Summer Camp	Totals
<b>Assets</b>									
Current Assets:									
Cash and Cash Equivalents	\$ (151,071)	2,469	(8,325)	1,500	8,581	26,235	1,950	323,960	205,299
Accounts Receivable:									
State	564								564
Federal	21,789								21,789
Miscellaneous	3,106								3,106
Inventory	9,035								9,035
Total Current Assets	<u>(116,577)</u>	<u>2,469</u>	<u>(8,325)</u>	<u>1,500</u>	<u>8,581</u>	<u>26,235</u>	<u>1,950</u>	<u>323,960</u>	<u>239,793</u>
Noncurrent Assets									
Equipment	303,698								303,698
Accumulated Depreciation	<u>(302,271)</u>								<u>(302,271)</u>
Total Fixed Assets	<u>1,427</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,427</u>
Total Assets	<u>\$ (115,150)</u>	<u>2,469</u>	<u>(8,325)</u>	<u>1,500</u>	<u>8,581</u>	<u>26,235</u>	<u>1,950</u>	<u>323,960</u>	<u>241,220</u>
<b>Liabilities</b>									
Current Liabilities:									
Deferred Revenue	\$ 5,994								5,994
Accounts Payable	12,776	-						10,110	22,886
Total Current Liabilities	<u>\$ 18,770</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,110</u>	<u>28,880</u>
<b>Net Position</b>									
Investment in Capital Assets	\$ 1,427								1,427
Unrestricted	<u>(135,347)</u>	<u>2,469</u>	<u>(8,325)</u>	<u>1,500</u>	<u>8,581</u>	<u>26,235</u>	<u>1,950</u>	<u>313,850</u>	<u>210,913</u>
Total Net Position	<u>\$ (133,920)</u>	<u>2,469</u>	<u>(8,325)</u>	<u>1,500</u>	<u>8,581</u>	<u>26,235</u>	<u>1,950</u>	<u>313,850</u>	<u>212,340</u>

ROSELLE PARK SCHOOL DISTRICT

COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

Exhibit G-2

ENTERPRISE FUNDS

FOR THE YEAR ENDED JUNE 30, 2015

	Business-Type Activities - Enterprise Funds								
	<u>Food Service</u>	<u>Cable 34</u>	<u>Adult School</u>	<u>Staff Computers</u>	<u>Coke Fund</u>	<u>Extended Day Care</u>	<u>Preschool</u>	<u>Summer Camp</u>	<u>Totals</u>
Operating Revenues:									
Daily Sales	\$ 377,412								377,412
Fees Charged								473,622	473,622
Total Operating Revenues	<u>377,412</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>473,622</u>	<u>851,034</u>
Operating Expenses:									
Salaries	243,346							323,774	567,120
Other Employee Benefits	57,191							24,769	81,960
Contracted Services	388,305							7,692	395,997
Supplies and Materials	25,323							25,030	50,353
Utilities								20,221	20,221
Depreciation	356								356
Miscellaneous	51,325							5,355	56,680
Operating Expenses	<u>765,846</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>406,841</u>	<u>1,172,687</u>
Operating Gain/(Loss)	(388,434)	-	-	-	-	-	-	66,781	(321,653)
Non-Operating Revenues:									
State Sources:									
State School Lunch Program	8,830								8,830
Federal Sources:									
National School Lunch Program	304,373								304,373
HHFKA Lunch Program	11,053								11,053
Breakfast Program	21,198								21,198
Food Distribution Program	44,794								44,794
Total Non-Operating Revenues	<u>390,248</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>390,248</u>
Change in Net Position	1,814	-	-	-	-	-	-	66,781	68,595
Total Net Position - Beginning	<u>(135,734)</u>	<u>2,469</u>	<u>(8,325)</u>	<u>1,500</u>	<u>8,581</u>	<u>26,235</u>	<u>1,950</u>	<u>247,069</u>	<u>143,745</u>
Total Net Position - Ending	<u>\$ (133,920)</u>	<u>2,469</u>	<u>(8,325)</u>	<u>1,500</u>	<u>8,581</u>	<u>26,235</u>	<u>1,950</u>	<u>313,850</u>	<u>212,340</u>

**ROSELLE PARK SCHOOL DISTRICT**  
**COMBINING SCHEDULE OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

Exhibit G-3

	<b>Business-Type Activities - Enterprise Funds</b>								
	<b>Food Service</b>	<b>Cable 34</b>	<b>Adult School</b>	<b>Staff Computers</b>	<b>Coke Fund</b>	<b>Extended Day Care</b>	<b>Preschool</b>	<b>Summer Camp</b>	<b>Totals</b>
Cash Flows from Operating Activities:									
Receipts from Customers	\$ 377,412							473,622	851,034
Payments for Salaries	(243,346)							(323,774)	(567,120)
Payments to Suppliers	(580,632)							(78,225)	(658,857)
Net Provided (Used) by Operating Activities	<u>(446,566)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>71,623</u>	<u>(374,943)</u>
Cash Flows from Noncapital Financing Activities									
Federal & State Sources	345,454								345,454
Net Cash Provided by Noncapital Financing Activities	<u>345,454</u>							<u>-</u>	<u>345,454</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(101,112)	-	-	-	-	-	-	71,623	(29,489)
Balances - Beginning of Year	(49,959)	2,469	(8,325)	1,500	8,581	26,235	1,950	252,337	234,788
Balances - End of Year	<u>\$ (151,071)</u>	<u>2,469</u>	<u>(8,325)</u>	<u>1,500</u>	<u>8,581</u>	<u>26,235</u>	<u>1,950</u>	<u>323,960</u>	<u>205,299</u>
Reconciliation of Operating Income (Loss) to Net Cash									
Provided (Used) by Operating Activities:									
Operating Income (Loss)	\$ (388,434)							66,781	(321,653)
Adjustments to Reconcile Operating Income (Loss) to Cash Provided (Used) by Operating Activities									
Federal Commodities Consumed	44,794								44,794
Depreciation	356								356
Decrease/(Increase) in Inventory	(611)								(611)
(Decrease)/Increase in Deferred Revenue	5,994								5,994
(Decrease)/Increase in Accounts Payable	(205,112)							4,842	(200,270)
Decrease/(Increase) in Accounts Receivable	96,447								96,447
Net Provided (Used) by Operating Activities	<u>\$ (446,566)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>71,623</u>	<u>(374,943)</u>

**FIDUCIARY FUND – H**

**ROSELLE PARK SCHOOL DISTRICT**

Exhibit H-1

**TRUST AND AGENCY FUND**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION**

**AS OF JUNE 30, 2015**

	<b><u>Scholarship Fund Non-Expendable Trust Fund</u></b>	<b><u>Student Activity</u></b>	<b><u>Payroll Agency</u></b>	<b><u>Unemployment Compensation Expendable Trust</u></b>	<b><u>Total 2015</u></b>
Assets:					
Cash and Cash Equivalents	\$ 3,362	130,998	(24,060)	82,965	193,265
Total Assets	<u>\$ 3,362</u>	<u>130,998</u>	<u>(24,060)</u>	<u>82,965</u>	<u>193,265</u>
Liabilities and Fund Balances:					
Liabilities:					
Payroll Deductions and Withholdings	\$		(24,060)		(24,060)
Due to Student Groups		130,998			130,998
Total Liabilities	<u>-</u>	<u>130,998</u>	<u>(24,060)</u>	<u>-</u>	<u>106,938</u>
Net Position:					
Reserved - Scholarships	3,362				3,362
Reserved - Unemployment Benefits				82,965	82,965
Total Net Position	<u>\$ 3,362</u>			<u>82,965</u>	<u>86,327</u>

ROSELLE PARK SCHOOL DISTRICTEXPENDABLE TRUST FUND

Exhibit H-2

COMBINING STATEMENT OF CHANGESIN FIDUCIARY NET POSITIONJUNE 30, 2015

	<u>Scholarships</u>	<u>Unemployment Compensation Insurance Trust Fund</u>	<u>Totals</u>
Additions:			
Local Sources:			
Contributions	\$ -	64,275	64,275
Interest on Investments	6		6
Total Additions	<u>6</u>	<u>64,275</u>	<u>64,281</u>
Deductions:			
Scholarship Payments	1,550		1,550
Unemployment Claims		48,702	48,702
Total Deductions	<u>1,550</u>	<u>48,702</u>	<u>50,252</u>
Change in Net Position	(1,544)	15,573	14,029
Net Position, July 1	<u>4,906</u>	<u>67,392</u>	<u>72,298</u>
Net Position, June 30	<u>\$ 3,362</u>	<u>82,965</u>	<u>86,327</u>

**ROSELLE PARK SCHOOL DISTRICT**

**Exhibit H-3**

**STUDENT ACTIVITY AGENCY FUND**

**SCHEDULE OF RECEIPTS AND DISBURSEMENTS**

**JUNE 30, 2015**

	<b><u>Balance July 1, 2014</u></b>	<b><u>Cash Receipts</u></b>	<b><u>Cash Disbursements</u></b>	<b><u>Balance June 30, 2015</u></b>
Elementary Schools:				
Sherman	\$ 1,880	4,354	4,430	1,804
Aldene	2,528	8,239	7,771	2,996
Robert Gordon	1,144	12,032	11,300	1,876
Total Elementary Schools	<u>5,552</u>	<u>24,625</u>	<u>23,501</u>	<u>6,676</u>
Junior High School	<u>7,263</u>	<u>24,378</u>	<u>23,738</u>	<u>7,903</u>
Senior High School	<u>126,710</u>	<u>223,515</u>	<u>233,806</u>	<u>116,419</u>
Total All Schools	<u>\$ 139,525</u>	<u>272,518</u>	<u>281,045</u>	<u>130,998</u>

ROSELLE PARK SCHOOL DISTRICT

PAYROLL AGENCY FUND

Exhibit H-4

SCHEDULE OF RECEIPTS AND DISBURSEMENTS

JUNE 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
Assets:				
Cash and Cash Equivalents	\$ 11,571	11,737,738	11,773,369	(24,060)
Total Assets	<u>\$ 11,571</u>	<u>11,737,738</u>	<u>11,773,369</u>	<u>(24,060)</u>
Liabilities:				
Payroll Deductions, Withholdings	\$ 11,571	11,737,738	11,773,369	(24,060)
Total Liabilities	<u>\$ 11,571</u>	<u>11,737,738</u>	<u>11,773,369</u>	<u>(24,060)</u>

**LONG-TERM DEBT - I**



**ROSELLE PARK SCHOOL DISTRICT**

**LONG-TERM LIABILITIES**

**Exhibit I-2**

**SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES**

**JUNE 30, 2015**

<b><u>Purpose</u></b>	<b><u>Date of Issue</u></b>	<b><u>Amount Of Original Issue</u></b>	<b><u>Interest Rate</u></b>	<b><u>Balance July 1, 2014</u></b>	<b><u>Paid Current Year</u></b>	<b><u>Amount Outstanding June 30, 2015</u></b>
Equipment Lease	6/12/2012	\$ 400,000	1.82%	\$ 201,796	99,989	101,807
Equipment Lease	5/20/2014	751,000	1.42%	<u>751,000</u>	<u>148,188</u>	<u>602,812</u>
				<u>\$ 952,796</u>	<u>248,177</u>	<u>704,619</u>

**ROSELLE PARK SCHOOL DISTRICT**

**DEBT SERVICE FUND**

Exhibit I-3

**BUDGETARY COMPARISON SCHEDULE**

**JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Budget Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Favorable (Unfavorable)</u></b>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 652,036		652,036	652,036	-
Total Revenues	<u>652,036</u>	<u>-</u>	<u>652,036</u>	<u>652,036</u>	<u>-</u>
Expenditures:					
Regular Debt Service:					
Redemption of Principal	470,000		470,000	470,000	-
Interest	<u>217,200</u>	<u>-</u>	<u>217,200</u>	<u>217,200</u>	<u>-</u>
Total Expenditures	<u>687,200</u>	<u>-</u>	<u>687,200</u>	<u>687,200</u>	<u>-</u>
Excess of Revenues over Expenditures	(35,164)	-	(35,164)	(35,164)	-
Fund Balance July 1	<u>35,164</u>	<u>-</u>	<u>35,164</u>	<u>35,164</u>	<u>-</u>
Fund Balance June 30	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**STATISTICAL SECTION**

**(Unaudited)**

**Borough of Roselle Park School District  
Net Position by Component  
Last Ten Fiscal Years**

Exhibit J-1

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Governmental Activities</b>										
Invested in capital assets, net of related debt	\$ 33,626,706	\$ 34,405,028	\$ 34,742,679	\$ 34,538,264	\$ 34,914,985	\$ 35,270,764	\$ 34,310,044	\$ 35,477,757	\$ 36,242,402	\$ 36,744,847
Restricted	\$ 1,648,110	\$ 481,237	\$ 1,147,410	\$ 1,714,640	\$ 1,384,139	\$ 1,734,712	\$ 1,836,282	\$ 2,013,661	\$ 2,218,329	\$ 1,710,733
Unrestricted	\$ (499,221)	\$ 240,553	\$ (1,038,633)	\$ (1,605,911)	\$ (1,480,668)	\$ (1,440,849)	\$ (1,193,657)	\$ (1,397,130)	\$ (1,520,374)	\$ (9,060,032)
<b>Total governmental activities net position</b>	\$ 34,775,595	\$ 35,126,818	\$ 34,851,456	\$ 34,646,993	\$ 34,818,456	\$ 35,564,627	\$ 34,952,669	\$ 36,094,288	\$ 36,940,357	\$ 29,395,548
<b>Business-type activities</b>										
Invested in capital assets, net of related debt	\$ 17,813	\$ 13,957	\$ 12,029	\$ 10,126	\$ 17,525	\$ 10,900	\$ 4,678	\$ 2,875	\$ 1,783	\$ 1,427
Restricted										
Unrestricted	\$ 228,288	\$ 164,557	\$ 148,910	\$ 183,059	\$ 119,276	\$ 20,983	\$ 57,396	\$ 49,629	\$ 141,962	\$ 210,913
<b>Total business-type activities net position</b>	\$ 246,101	\$ 178,514	\$ 160,939	\$ 193,185	\$ 136,801	\$ 31,883	\$ 62,074	\$ 52,504	\$ 143,745	\$ 212,340
<b>District -wide</b>										
Invested in capital assets, net of related debt	\$ 33,644,519	\$ 34,418,985	\$ 34,754,708	\$ 34,548,390	\$ 34,932,510	\$ 35,281,664	\$ 34,314,722	\$ 35,480,632	\$ 36,244,185	\$ 36,746,274
Restricted	\$ 1,648,110	\$ 485,479	\$ 1,147,410	\$ 1,714,640	\$ 1,384,139	\$ 1,734,712	\$ 1,836,282	\$ 2,013,661	\$ 2,218,329	\$ 1,710,733
Unrestricted	\$ (270,933)	\$ 405,110	\$ (889,723)	\$ (1,422,852)	\$ (1,361,392)	\$ (1,419,866)	\$ (1,136,261)	\$ (1,347,501)	\$ (1,378,412)	\$ (8,849,119)
<b>Total district net position</b>	\$ 35,021,696	\$ 35,309,574	\$ 35,012,395	\$ 34,840,178	\$ 34,955,257	\$ 35,596,510	\$ 35,014,743	\$ 36,146,792	\$ 37,084,102	\$ 29,607,888

**Borough of Roselle Park School District  
Changes in Activities, Last Ten Fiscal Years**

Exhibit J-2

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Expenses</b>										
<b>Governmental Activities</b>										
<b>Instruction</b>										
Regular	\$ 7,086,973	\$ 7,066,791	\$ 8,684,930	\$ 8,899,940	\$ 7,044,348	\$ 9,152,917	\$ 9,139,762	\$ 9,144,089	\$ 9,010,447	\$ 9,615,148
Special Education	\$ 1,810,210	\$ 2,455,399	\$ 3,092,543	\$ 2,739,718	\$ 2,893,071	\$ 2,231,732	\$ 3,215,878	\$ 3,456,920	\$ 3,068,534	\$ 2,212,047
Other special education	\$ 1,179,555	\$ 505,689	\$ 664,603	\$ 1,009,635	\$ 955,683	\$ 776,620	\$ 889,953	\$ 832,895	\$ 896,697	\$ 1,726,901
Other instruction	\$ 578,563	\$ 527,696	\$ 559,596	\$ 556,395	\$ 542,264	\$ 610,664	\$ 588,038	\$ 566,618	\$ 899,310	\$ 900,810
<b>Support Services:</b>										
Tuition	\$ 647,863	\$ 711,625	\$ 568,657	\$ 573,427	\$ 821,919	\$ 1,184,976	\$ 1,220,452	\$ 1,139,384	\$ 1,466,080	\$ 1,494,344
Student & instruction related services	\$ 3,077,855	\$ 3,085,467	\$ 3,174,504	\$ 3,705,882	\$ 3,454,142	\$ 3,032,352	\$ 3,249,222	\$ 3,466,558	\$ 3,464,665	\$ 3,555,438
School administrative services	\$ 1,002,378	\$ 1,482,072	\$ 588,308	\$ 1,640,413	\$ 704,284	\$ 622,517	\$ 614,682	\$ 660,436	\$ 578,053	\$ 602,195
General & business administrative services	\$ 1,026,587	\$ 1,134,957	\$ 1,876,244	\$ 1,007,870	\$ 2,528,748	\$ 1,745,464	\$ 1,792,069	\$ 1,816,992	\$ 1,738,066	\$ 1,758,214
Plant operations and maintenance	\$ 2,214,172	\$ 2,178,796	\$ 2,343,633	\$ 2,795,372	\$ 2,939,394	\$ 2,486,350	\$ 2,367,844	\$ 2,485,960	\$ 2,535,398	\$ 2,650,796
Pupil transportation	\$ 370,315	\$ 286,989	\$ 330,000	\$ 320,620	\$ 366,144	\$ 313,355	\$ 293,762	\$ 333,364	\$ 378,044	\$ 480,418
Employee Benefits	\$ 5,892,247	\$ 7,090,821	\$ 7,423,220	\$ 6,341,953	\$ 7,084,238	\$ 8,303,438	\$ 8,110,462	\$ 8,902,413	\$ 8,411,378	\$ 9,812,810
ARRA					\$ 1,665,793					
Interest on long-term debt	\$ 391,548	\$ 342,699	\$ 350,143	\$ 332,599	\$ 305,667	\$ 290,151	\$ 221,476	\$ 237,366	\$ 222,769	\$ 215,354
Education Jobs							\$ 353,652	\$ 11,989		
Unallocated depreciation	\$ -	\$ 924,755	\$ 262,772	\$ 347,025	\$ 266,580	\$ 289,817	\$ 290,431	\$ 231,012	\$ 222,822	\$ 213,294
<b>Total governmental activities expenses</b>	<b>\$ 25,278,266.00</b>	<b>\$ 27,793,756.00</b>	<b>\$ 29,919,153.00</b>	<b>\$ 30,270,849</b>	<b>\$ 31,572,275</b>	<b>\$ 31,040,353</b>	<b>\$ 32,347,683</b>	<b>\$ 33,285,996</b>	<b>\$ 32,892,263</b>	<b>\$ 35,237,769</b>
<b>Business-type activities</b>										
Food Service	\$ 606,886	\$ 625,734	\$ 641,631	\$ 663,258	\$ 677,463	\$ 640,947	\$ 665,172	\$ 663,885	\$ -	\$ -
Child Care	\$ 525,303	\$ 500,813	\$ 308,691	\$ 319,177	\$ 356,939	\$ 348,641	\$ 346,463	\$ 352,467	\$ 999,738	\$ 1,172,687
<b>Total business-type activities expense</b>	<b>\$ 1,132,189.00</b>	<b>\$ 1,126,547.00</b>	<b>\$ 950,322.00</b>	<b>\$ 982,435</b>	<b>\$ 1,034,402</b>	<b>\$ 989,588</b>	<b>\$ 1,011,635</b>	<b>\$ 1,016,352</b>	<b>\$ 999,738</b>	<b>\$ 1,172,687</b>
<b>Total district expenses</b>	<b>\$ 26,410,455.00</b>	<b>\$ 28,920,303.00</b>	<b>\$ 30,869,475.00</b>	<b>\$ 31,253,284</b>	<b>\$ 32,606,677</b>	<b>\$ 32,029,941</b>	<b>\$ 33,359,318</b>	<b>\$ 34,302,348</b>	<b>\$ 33,892,001</b>	<b>\$ 36,410,456</b>
<b>Program Revenues</b>										
<b>Governmental activities:</b>										
<b>Charges for services:</b>										
Operating grants and contributions	\$ 794,361	\$ 884,197	\$ 990,654	\$ 791,606	\$ 2,720,592	\$ 937,429	\$ 1,345,133	\$ 962,388	\$ 926,877	\$ 941,842
Capital grants and contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total governmental activities program revenues</b>	<b>\$ 794,361</b>	<b>\$ 884,197</b>	<b>\$ 990,654</b>	<b>\$ 791,606</b>	<b>\$ 2,720,592</b>	<b>\$ 937,429</b>	<b>\$ 2,051,811</b>	<b>\$ 1,402,448</b>	<b>\$ 1,273,604</b>	<b>\$ 1,225,403</b>

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Program Revenues - Continued</b>										
Business-type activities										
Charges for services										
Food Service	\$ 382,109	\$ 407,949	\$ 402,418	\$ 402,576	\$ 363,098	\$ 344,664	\$ 341,124	\$ 322,801	\$ 769,817	\$ 851,034
Child Care	\$ 505,954	\$ 432,660	\$ 356,083	\$ 416,439	\$ 363,916	\$ 356,493	\$ 382,122	\$ 409,649	\$ -	\$ -
Operating grants and contributions	\$ 187,493	\$ 218,351	\$ 224,246	\$ 245,565	\$ 268,439	\$ 283,513	\$ 318,580	\$ 324,512	\$ 321,162	\$ 390,248
Total business type activities program revenues	\$ 1,075,556	\$ 1,058,960	\$ 982,747	\$ 1,064,580	\$ 995,453	\$ 984,670	\$ 1,041,826	\$ 1,056,962	\$ 1,090,979	\$ 1,241,282
Total district program revenues	\$ 1,869,917	\$ 1,943,157	\$ 1,973,401	\$ 1,856,186	\$ 3,716,045	\$ 1,922,099	\$ 3,093,637	\$ 2,459,410	\$ 2,364,583	\$ 2,466,685
<b>Net(Expense)/Revenue</b>										
Governmental activities	\$ (24,483,905)	\$ (26,909,559)	\$ (28,928,499)	\$ (29,479,243)	\$ (28,851,683)	\$ (30,102,924)	\$ (30,295,872)	\$ (31,883,548)	\$ (31,618,659)	\$ (34,012,366)
Business-type activities	\$ (56,633)	\$ (67,587)	\$ 32,425	\$ 82,145	\$ (38,949)	\$ (4,918)	\$ 30,191	\$ 40,430	\$ 91,241	\$ 68,595
Total district-wide net expense	\$ (24,540,538)	\$ (26,977,146)	\$ (28,896,074)	\$ (29,397,098)	\$ (28,890,632)	\$ (30,107,842)	\$ (30,265,681)	\$ (31,843,118)	\$ (31,527,418)	\$ (33,943,771)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 14,678,841	\$ 15,686,219	\$ 16,740,794	\$ 16,740,794	\$ 17,003,024	\$ 17,505,170	\$ 17,505,170	\$ 17,505,170	\$ 17,885,273	\$ 19,183,851
Taxes levied for debt service	\$ 833,023	\$ 644,837	\$ 674,378	\$ 682,805	\$ 690,530	\$ 697,676	\$ 693,999	\$ 699,973	\$ 684,513	\$ 652,036
Unrestricted grants and contributions	\$ 10,016,289	\$ 10,780,883	\$ 11,202,163	\$ 11,573,947	\$ 10,808,534	\$ 11,734,108	\$ 11,718,748	\$ 13,799,615	\$ 13,385,247	\$ 13,882,321
Tuition	\$ -	\$ 110,276	\$ 207,644	\$ 293,421	\$ 339,869	\$ 468,059	\$ 706,678	\$ -	\$ -	\$ -
Miscellaneous income	\$ 238,340	\$ 158,023	\$ 96,846	\$ 15,477	\$ 86,658	\$ 137,597	\$ 130,437	\$ 152,804	\$ 92,931	\$ 104,039
Transfers	\$ (120,891)	\$ -	\$ 366,744	\$ 50,000	\$ -	\$ 100,000	\$ -	\$ -	\$ 2,147	\$ -
Total governmental activities	\$ 25,645,602	\$ 27,380,238	\$ 29,288,569	\$ 29,356,444	\$ 28,928,615	\$ 30,642,610	\$ 30,755,032	\$ 32,157,562	\$ 32,050,111	\$ 33,822,247
Business-type activities:										
Investment earnings				\$ 101						
Transfers	\$ -	\$ -	\$ (50,000)	\$ (50,000)	\$ (50,000)	\$ (100,000)	\$ -	\$ (50,000)	\$ -	\$ -
Total business-type activities	\$ -	\$ -	\$ (50,000)	\$ (49,899)	\$ (50,000)	\$ (100,000)	\$ -	\$ (50,000)	\$ -	\$ -
Total district-wide	\$ 25,645,602	\$ 27,380,238	\$ 29,238,569	\$ 29,306,545	\$ 28,878,615	\$ 30,542,610	\$ 30,755,032	\$ 32,107,562	\$ 30,542,610	\$ 33,822,247
<b>Change in Net Position</b>										
Governmental activities	\$ 1,161,697	\$ 470,679	\$ 360,070	\$ (122,799)	\$ 76,932	\$ 539,686	\$ 459,160	\$ 274,014	\$ 401,452	\$ (190,119)
Business-type activities	\$ (56,633)	\$ (67,587)	\$ 32,425	\$ 32,246	\$ (88,949)	\$ (104,918)	\$ 31,883	\$ (9,570)	\$ 91,241	\$ 68,595
Total district	\$ 1,105,064	\$ 403,092	\$ 392,495	\$ (90,553)	\$ (12,017)	\$ 434,768	\$ 491,043	\$ 264,444	\$ 492,693	\$ (121,524)

**Borough of Roselle Park School District  
Fund Balances, Governmental Funds,  
Last Ten Fiscal Years**

Exhibit J-3

	Fiscal Year Ending June 30,									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund										
Reserved	\$ 624,020	\$ 774,484	\$ 1,246,921	\$ 1,637,877	\$ 1,384,135	\$ 1,734,708	\$ 1,836,278	\$ 1,978,496	\$ 2,183,165	\$ 1,710,733
Unreserved	\$ 10,792	\$ 113,453	\$ 129,138	\$ (427,921)	\$ (423,332)	\$ (403,134)	\$ (231,447)	\$ (293,263)	\$ (408,196)	\$ (322,640)
Total General Fund	\$ 634,812	\$ 887,937	\$ 1,376,059	\$ 1,209,956	\$ 960,803	\$ 1,331,574	\$ 1,604,831	\$ 1,685,233	\$ 1,774,969	\$ 1,388,093
All Other Governmental Funds										
Reserved										
Unreserved, reported in:										
Special Revenue Fund	\$ (4,265)	\$ (4,242)	\$ (17,303)	\$ 86,759	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Projects Fund	\$ 1,631,860	\$ 485,378	\$ 9,192	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service Fund	\$ 20,415	\$ 1	\$ 2	\$ 4	\$ 4	\$ 4	\$ 4	\$ 35,165	\$ 35,164	\$ -
Permanent Fund										
Designated for Subsequent Year Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total all other Governmental Funds	\$ 1,648,010	\$ 481,137	\$ (8,109)	\$ 86,763	\$ 4	\$ 4	\$ 4	\$ 35,165	\$ 35,164	\$ -

**Borough of Roselle Park School District  
Changes in Fund Balances, Governmental Funds,  
Last Ten Fiscal Years**

Exhibit J-4

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Revenues</b>										
Local Sources	\$ 15,751,982	\$ 16,605,969	\$ 17,726,433	\$ 17,738,545	\$ 18,132,074	\$ 18,927,935	\$ 19,053,757	\$ 18,775,621	\$ 18,988,759	\$ 20,227,591
State Sources	\$ 10,109,817	\$ 11,201,329	\$ 11,724,869	\$ 11,573,947	\$ 10,781,776	\$ 11,702,426	\$ 12,425,426	\$ 13,732,602	\$ 13,328,689	\$ 13,798,706
Federal Sources	\$ 699,055	\$ 457,137	\$ 507,266	\$ 785,558	\$ 2,735,357	\$ 949,678	\$ 1,327,660	\$ 1,013,185	\$ 974,120	\$ 1,021,353
<b>Total Revenue</b>	<b>\$ 26,560,854</b>	<b>\$ 28,264,435</b>	<b>\$ 29,958,568</b>	<b>\$ 30,098,050</b>	<b>\$ 31,649,207</b>	<b>\$ 31,580,039</b>	<b>\$ 32,806,843</b>	<b>\$ 33,521,408</b>	<b>\$ 33,291,568</b>	<b>\$ 35,047,650</b>
<b>Expenditures</b>										
Instruction	\$ 10,793,507	\$ 11,031,173	\$ 12,397,061	\$ 13,133,186	\$ 11,552,692	\$ 12,775,696	\$ 13,838,287	\$ 13,899,075	\$ 13,856,645	\$ 14,454,906
Support Services	\$ 14,231,417	\$ 17,480,914	\$ 16,304,566	\$ 16,385,537	\$ 17,898,869	\$ 17,688,452	\$ 17,600,795	\$ 18,805,107	\$ 18,571,784	\$ 20,238,296
Capital Outlay	\$ 637,534		\$ 949,599	\$ 103,692	\$ 89,666	\$ 46,765	\$ 446,183	\$ 48,792	\$ 90,488	\$ 89,288
ARRA-ESF					\$ 1,603,711					
ARRA-GSF					\$ 62,082					
Education Jobs							\$ 353,652	\$ 11,989		
Debt service:										
Principal	\$ 292,345	\$ 312,346	\$ 332,345	\$ 352,345	\$ 372,345	\$ 392,346	\$ 402,345	\$ 482,345	\$ 452,245	\$ 470,000
Interest and other charges	\$ 545,754	\$ 353,750	\$ 342,865	\$ 331,280	\$ 318,995	\$ 306,009	\$ 292,325	\$ 197,139	\$ 232,818	\$ 217,200
<b>Total expenditures</b>	<b>\$ 26,500,557</b>	<b>\$ 29,178,183</b>	<b>\$ 30,326,436</b>	<b>\$ 30,306,040</b>	<b>\$ 31,898,360</b>	<b>\$ 31,209,268</b>	<b>\$ 32,933,587</b>	<b>\$ 33,444,447</b>	<b>\$ 33,203,980</b>	<b>\$ 35,469,690</b>
Excess(Deficiency) of revenues over(under) expenditures	\$ 60,297	\$ (913,748)	\$ (367,868)	\$ (207,990)	\$ (249,153)	\$ 370,771	\$ (126,744)	\$ 76,961	\$ 87,588	\$ (422,040)
<b>Other Financing sources(uses)</b>										
Transfers in	\$ -	\$ -	\$ 650,016	\$ 50,000	\$ -	\$ 50,000	\$ 400,000	\$ 50,000	\$ 2,147	\$ -
Transfers out	\$ (110,891)	\$ -	\$ (283,272)	\$ -	\$ -	\$ -	\$ -	\$ (11,398)	\$ -	\$ -
<b>Total other financing sources(uses)</b>	<b>\$ (110,891)</b>	<b>\$ -</b>	<b>\$ 366,744</b>	<b>\$ 50,000</b>	<b>\$ -</b>	<b>\$ 50,000</b>	<b>\$ 400,000</b>	<b>\$ 38,602</b>	<b>\$ 2,147</b>	<b>\$ -</b>
<b>Net changes in fund balances</b>	<b>\$ (50,594)</b>	<b>\$ (913,748)</b>	<b>\$ (1,124)</b>	<b>\$ (157,990)</b>	<b>\$ (249,153)</b>	<b>\$ 420,771</b>	<b>\$ 273,256</b>	<b>\$ 115,563</b>	<b>\$ 89,735</b>	<b>\$ (422,040)</b>

**Borough of Roselle Park School District  
General Fund-Other Local Revenue by Source**

Exhibit J-5

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u>	<u>Rentals-Use</u> <u>Of Facilities</u>	<u>Prior Year</u> <u>Refunds</u>	<u>Transportation</u> <u>Fees</u>	<u>Other</u>	<u>Total</u>
2006	\$ 84,792	\$ 116,970	\$ 15,314			\$ 34,766	\$ 251,842
2007	\$ 76,984	\$ 110,276	\$ 13,802			\$ 24,845	\$ 225,907
2008	\$ 58,384	\$ 207,644	\$ 9,568			\$ 18,423	\$ 294,019
2009	\$ 5,817	\$ 293,421	\$ 8,770			\$ 10,773	\$ 318,781
2010	\$ 4,468	\$ 339,869	\$ 50,000			\$ 32,190	\$ 426,527
2011	\$ 4,544	\$ 468,059	\$ 52,486			\$ 100,000	\$ 625,089
2012	\$ 1,947	\$ 706,678	\$ 28,038			\$ 100,000	\$ 836,663
2013	\$ 6,331	\$ 440,060	\$ 21,859			\$ 72,000	\$ 540,250
2014	\$ 4,480	\$ 346,727				\$ 88,451	\$ 439,658
2015	\$ -	\$ 283,561				\$ 108,143	\$ 391,704

Borough of Roselle Park School District  
Assessed Value and Actual Value of Taxable Property

Exhibit J-6

<u>Year Ended</u> <u>December 31,</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartment</u>	<u>Public Utilities</u>	<u>Net Valuation</u> <u>Taxable</u>	<u>Estimated</u> <u>Actual</u>
2006	\$ 433,000	\$ 233,339,000	\$ 25,594,700	\$ 5,797,800	\$ 25,809,700	\$ 165,964	\$ 291,140,164	\$ 1,058,306,667
2007	\$ 521,000	\$ 234,150,900	\$ 25,290,500	\$ 5,797,800	\$ 24,926,300	\$ 145,623	\$ 290,832,123	\$ 1,238,637,662
2008	\$ 422,000	\$ 234,621,600	\$ 25,555,900	\$ 5,797,800	\$ 23,635,200	\$ 138,589	\$ 290,171,089	\$ 1,351,518,812
2009	\$ 511,400	\$ 234,356,900	\$ 26,132,200	\$ 5,797,800	\$ 22,486,600	\$ 146,686	\$ 289,431,586	\$ 1,366,532,512
2010	\$ 389,300	\$ 234,506,500	\$ 26,131,300	\$ 4,999,300	\$ 21,977,800	\$ 149,050	\$ 288,153,250	\$ 1,292,167,040
2011	\$ 363,800	\$ 234,458,800	\$ 26,168,300	\$ 4,900,500	\$ 21,788,600	\$ 125,187	\$ 287,805,187	\$ 1,226,791,078
2012	\$ 343,800	\$ 233,733,160	\$ 25,607,200	\$ 4,870,500	\$ 21,759,000	\$ 210,488	\$ 286,524,148	\$ 1,063,564,024
2013	\$ 336,100	\$ 233,116,860	\$ 25,292,300	\$ 4,870,500	\$ 21,607,400	\$ 227,314	\$ 285,450,474	\$ 1,020,559,435
2014	\$ 291,700	\$ 232,264,660	\$ 25,143,400	\$ 4,870,500	\$ 21,077,700	\$ 181,168	\$ 283,829,128	\$ 1,032,105,920
2015	\$ 291,700	\$ 231,921,710	\$ 25,075,300	\$ 4,872,000	\$ 21,077,700	\$ 188,400	\$ 283,426,810	\$ 1,030,642,945

Borough of Roselle Park School District  
 Direct and Overlapping Property Tax Rates

Exhibit J-7

Year Ended December 31,	Roselle Park School District Direct Rate		Overlapping Rates		Total Direct and Overlapping Tax Rate	
	Basic Rate	General Obligation Debt Service	Total Direct	Borough of Roselle Park		Union County
2006			5.430	2.919	1.376	9.725
2007			5.803	3.105	1.486	10.394
2008			6.003	3.341	1.596	10.940
2009			6.067	3.530	1.666	11.263
2010			6.229	3.684	1.713	11.626
2011			6.324	3.836	1.823	11.983
2012			6.353	3.986	1.845	12.184
2013			6.436	4.119	1.851	12.406
2014			6.755	4.273	1.879	12.907
2015			7.210	4.427	1.950	13.587

Borough of Roselle Park School District  
Principal Property Tax Payers

Exhibit J-8

2015

<u>Taxpayer</u>		<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>
Woodside Gardens Assoc.	\$	4,750,000.00	1	1.67
Sunrise Village		3,740,000.00	2	1.32
Grande Associates, LLC		1,800,000.00	3	0.63
Parkway Ford Realty		1,060,000.00	4	0.37
Westfield Realty Holdings, LLC		850,000.00	5	0.30
Paradise Management		730,000.00	6	0.26
415 Westfield Associates, LLC		725,000.00	7	0.25
Evelides Vazquez Living Trust		700,000.00	8	0.24
Joseph Centanni		700,000.00	8	0.24
Ashford Property		685,000.00	9	0.24
c/o Boyle Property Management				
Jakimowicz Partners, LP and Raymond R.		650,000.00	10	0.23

Borough of Roselle Park School District  
Property Tax Levies and Collections

Exhibit J-9

<u>Year Ended December 31,</u>	<u>Collected within the Fiscal Year of the Levy</u>		<u>Percentage of Levy</u>
	<u>Taxes Levied for the Fiscal Year</u>	<u>Amount</u>	
2005	\$ 26,487,668	\$ 26,069,735	98.42%
2006	\$ 28,348,652	\$ 27,831,223	98.17%
2007	\$ 30,248,800	\$ 29,598,499	97.85%
2008	\$ 31,802,107	\$ 30,974,661	97.39%
2009	\$ 32,620,843	\$ 31,925,961	97.86%
2010	\$ 33,535,571	\$ 32,804,581	97.82%
2011	\$ 34,518,458	\$ 33,582,766	97.28%
2012	\$ 34,921,899	\$ 34,202,404	98.33%
2013	\$ 35,291,892	\$ 34,622,625	98.12%
2014	\$ 36,662,116	\$ 36,008,661	98.21%

Borough of Roselle Park School District  
 Ratios of Outstanding Debt by Type

Exhibit J-10

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>General</u> <u>Obligation</u> <u>Bonds</u>	<u>Certificates</u> <u>of</u> <u>Participation</u>	<u>Capital</u> <u>Leases</u>	<u>Bond</u> <u>Anticipation</u> <u>Notes</u>	<u>Total</u> <u>Direct</u>	<u>Percentage of</u> <u>Personal</u> <u>Income</u>	<u>Per</u> <u>Capita</u>
2006	\$8,929,000		\$614,881				
2007	\$8,619,000		\$517,745	\$500,000			
2008	\$8,289,000		\$544,757				
2009	\$7,939,000		\$621,789				
2010	\$7,569,000		\$715,146				
2011	\$7,179,000		\$434,463				
2012	\$6,779,000		\$400,000				
2013	\$6,335,000		\$300,000				
2014	\$5,885,000		\$850,000				
2015	\$5,415,000		\$888,099				

Borough of Roselle Park School District  
 Ratios of Net General Bonded Debt Outstanding

Exhibit J-11

General Bonded Debt Outstanding

<u>Fiscal Year Ended June 30,</u>	<u>General Obligation Bonds</u>	<u>Deductions</u>	<u>Net General Bonded Debt Outstanding</u>	<u>Percentage Actual Taxable Value of Property</u>	<u>Per Capita</u>
2006	\$ 8,929,000.00		\$ 8,929,000.00		
2007	\$ 8,619,000.00		\$ 8,619,000.00		
2008	\$ 8,289,000.00		\$ 8,289,000.00		
2009	\$ 7,939,000.00		\$ 7,939,000.00		
2010	\$ 7,569,000.00		\$ 7,569,000.00		
2011	\$ 7,179,000.00		\$ 7,179,000.00		
2012	\$ 6,779,000.00		\$ 6,779,000.00		
2013	\$ 6,335,000.00		\$ 6,335,000.00		
2014	\$ 5,885,000.00		\$ 5,885,000.00		
2015	\$ 5,415,000.00		\$ 5,415,000.00		

Borough of Roselle Park School District                      Exhibit J-12  
 Ratios of Overlapping Governmental Activities Debt

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Borough of Roselle Park	\$ 16,692,734	100%	\$ 16,692,734
Union County			
General Obligation Debt	\$ 570,015,152	1.58%	\$ 9,033,205
Other Debt			
Subtotal, overlapping debt			\$ 25,725,939
Roselle Park School District Direct Debt			\$ 5,885,000
Total direct and overlapping debt			\$ 31,610,939

Borough of Roselle Park School District  
 Legal Debt Mrgin Information

Exhibit J-13

Legal Debt Margin Calculated for Fiscal Year 2015

	Equalized valuation basis	
	2015	\$ 283,426,810
	2014	\$ 283,829,128
		<u>\$ 567,255,938</u>
Average equalized valuation of taxable property		\$ 283,627,969
Debt limit (4% of average equalization value)		\$ 11,345,119
Net bonded school debt		<u>\$ 5,415,000</u>
Legal debt margin		\$ 5,930,119

	Fiscal Year									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Debt Limit	\$ 11,345,119	\$ 11,385,592	\$ 11,439,492	\$ 11,486,587	\$ 11,519,169	\$ 11,568,123	\$ 11,616,970	\$ 11,616,970	\$ 11,616,970	\$ 11,616,970
Total net debt applicable to limit	<u>\$ 5,415,000</u>	<u>\$ 5,885,000</u>	<u>\$ 6,335,000</u>	<u>\$ 6,779,000</u>	<u>\$ 5,415,000</u>	<u>\$ 7,569,000</u>	<u>\$ 7,939,000</u>	<u>\$ 8,289,000</u>	<u>\$ 8,619,000</u>	<u>\$ 8,929,000</u>
Legal debt margin	\$ 5,930,119	\$ 5,500,592	\$ 5,104,492	\$ 4,707,587	\$ 5,930,119	\$ 3,999,123	\$ 3,677,970	\$ 3,327,970	\$ 2,997,970	\$ 2,687,970
Total net debt applicable to the limit as a percentage of debt limit										

Borough of Roselle Park School District  
 Demographic and Economic Statistics  
 Last Fourteen Years

Exhibit J-14

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Union County Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2005	12,946		\$ 44,827	4.6
2006	12,848		\$ 48,767	3.5
2007	12,753		\$ 50,697	4.2
2008	12,765		\$ 51,651	7.1
2009	12,861		\$ 49,213	9.8
2010	13,321		\$ 49,932	9.9
2011	13,372		\$ 52,281	9.9
2012	13,512		\$ 53,816	9.9
2013	13,525		\$ 54,382	10.3
2014	13,595		N/A	6.8

N/A - Information not available

Borough of Roselle Park School District  
Principal Employers,  
2015

Exhibit J-15

<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
Roselle Park School District			
Borough of Roselle Park			
Hexacon Electric Supply Co.			
Valley National Bank			
Wells Fargo Bank			

Information was not available at the time of the audit

Borough of Roselle Park School District      Exhibit J-16  
 Full-time Equivalent District Employees by Function/Program  
 Last Ten Fiscal Years

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Instruction</b>										
Regular	131	135	139	140	146	138	146	141	143	145
Special Education	31	31	32	32	32	30	35	41	38	37
Other special education	31	40	48	52	54	40	49	54	57	49
Vocational										
Other instruction										
Nonpublic school programs										
Adult/continuing education										
<b>Support Services:</b>										
Student & instruction related services	53	54	54	54	52	44	37	33	34	30
School administrative services	10	11	11	12	14	11	11	11	11	11
General & Business Adm. services	1	1	1	1	1	1	1	1	1	1
Plant operations and maintenance	22	22	23	23	23	21	21	22	22	23
Pupil transportation					0	1	1	1	1	1
Business and other support services	18	19	20	20	20	15	14	17	17	20
<b>Special Schools</b>										
Food Service										
Child Care										
<b>Total</b>	<b>297</b>	<b>313</b>	<b>328</b>	<b>334</b>	<b>342</b>	<b>301</b>	<b>315</b>	<b>321</b>	<b>324</b>	<b>317</b>

Borough of Roselle Park School District  
 Operating Statistics  
 Last Ten Fiscal Years

Exhibit J-17

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Elementary</u>	<u>Middle School</u>	<u>High School</u>	<u>Avg. Daily Enrollment</u>	<u>Avg. Daily Attendance</u>	<u>% Change ADE</u>	<u>Student Attendance %</u>
2006	2058	\$ 23,235,503.00	\$ 10,267.00		217	1:18	1:16	1:16	2041	1938		94.9%
2007	2048	\$ 23,599,936.00	\$ 11,011.00		217	1:19	1:21	1:17	2040	1940		95.1%
2008	2043	\$ 24,731,638.00	\$ 11,943.00		219	1:19	1:21	1:17	2017	1924		95.4%
2009	2,032	\$ 26,925,016.00	\$ 13,005.00		216	1:18	1:23	1:20	2009	1917		95.4%
2010	2,019	\$ 28,131,990.00	\$ 13,516.00		220	1:17	1:21	1:19	1992	1902		95.5%
2011	2,000	\$ 27,583,542.00	\$ 13,145.00		209	1:19	1:22	1:20	1981	1887		95.2%
2012	2,005	\$ 28,474,200.00	\$ 13,592.00		214	1:20	1:21	1:19	1981	1891		95.4%
2013	1,970	\$ 28,809,678.00	\$ 14,740.00		215	1:20	1:21	1:19	1852	1756		94.8%
2014	1,958	\$ 28,926,316.00	\$ 14,386.00		215	1:20	1:21	1:18	1851	1764		95.3%
2015	2,009	\$ 30,773,491.00	\$ 14,869.00		215	1:21	1:22	1:19	1982	1889		95.3%

Borough of Roselle Park School District  
 School Building Information  
 Last Ten Fiscal Years

Exhibit J-18

<b><u>District Building</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>
Aldene										
Square Feet	32801	32801	32801	32801	32801	32801	32801	32801	32801	32801
Capacity										
Enrollment	262	273	277	271	285	279	313	304	300	327
Robert Gordon										
Square Feet	34342	34342	34342	34342	34342	34342	34342	34342	34342	34342
Capacity										
Enrollment	301	307	262	262	272	261	263	271	260	273
Sherman										
Square Feet	33560	33560	33560	33560	33560	33560	33560	33560	33560	33560
Capacity										
Enrollment	308	308	344	349	331	338	323	310	312	331
Middle School										
Square Feet	64420	64420	64420	64420	64420	64420	64420	64420	64420	64420
Capacity										
Enrollment	332	328	500	487	483	485	488	493	490	473
High School										
Square Feet	119968	119968	119968	119968	119968	119968	119968	119968	119968	119968
Capacity										
Enrollment	873	853	653	672	648	637	618	592	596	605
Board Office										
Square Feet	3124	3124	3124	3124	3124	3124	3124	3124	3124	3124

Number of Schools as of June 30, 2015  
 Elementary = 3  
 Middle School = 1  
 High School = 1

Borough of Roselle Park School District  
 Schedule of Required Maintenance

Exhibit J-19

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Aldene</u>	<u>Robert Gordon</u>	<u>Sherman</u>	<u>Middle School</u>	<u>High School</u>	<u>Cental Office</u>	<u>Total</u>
2006	\$ 114,229.00	\$ 46,993.00	\$ 68,861.00	\$ 148,247.00	\$ 198,378.00	\$ 10,578.00	\$ 587,286.00
2007	\$ 60,511.00	\$ 51,780.00	\$ 78,658.00	\$ 115,793.00	\$ 165,169.00	\$ 9,081.00	\$ 480,992.00
2008	\$ 74,344.00	\$ 57,798.00	\$ 69,926.00	\$ 134,488.00	\$ 127,555.00	\$ 48,602.00	\$ 512,713.00
2009	\$ 96,730.00	\$ 60,003.00	\$ 83,405.00	\$ 112,812.00	\$ 318,613.00	\$ 68,433.00	\$ 739,996.00
2010	\$ 81,861.00	\$ 75,728.00	\$ 73,058.00	\$ 162,640.00	\$ 419,853.00	\$ 27,212.00	\$ 840,352.00
2011	\$ 65,056.00	\$ 60,041.00	\$ 44,119.00	\$ 130,477.00	\$ 190,895.00	\$ 8,149.00	\$ 498,737.00
2012	\$ 76,505.00	\$ 73,148.00	\$ 66,517.00	\$ 178,920.00	\$ 214,582.00	\$ 6,747.00	\$ 616,419.00
2013	\$ 76,795.00	\$ 105,073.00	\$ 89,992.00	\$ 159,959.00	\$ 334,145.00	\$ 6,014.00	\$ 771,978.00
2014	\$ 108,984.00	\$ 96,005.00	\$ 65,900.00	\$ 238,573.00	\$ 252,904.00	\$ 9,055.00	\$ 771,421.00
2015	\$ 97,294.00	\$ 67,797.00	\$ 75,967.00	\$ 154,339.00	\$ 213,492.00	\$ 8,821.00	\$ 617,710.00

## Borough of Roselle Park School District Insurance Schedule

Exhibit J-20

<u>School Package Policy</u>	<u>Coverage</u>	<u>Deductible</u>
Property	\$ 400,000,000.00	\$ 5,000.00
Comprehensive General Liability	\$ 16,000,000.00	n/a
Automobile Liability	\$ 16,000,000.00	n/a
Crime Coverage	\$ 5,000.00	\$ 500.00
Forgery & Alteration	\$ 25,000.00	\$ 500.00
Extra Expense	\$ 50,000,000.00	\$ 5,000.00
Valuable Papers	\$ 10,000,000.00	\$ 5,000.00
Demolition and Increased Cost of Construction	\$ 25,000,000.00	n/a
Equipment Breakdown	\$ 100,000,000.00	\$ 5,000.00
Electronic Data	\$ 900,000.00	\$ 1,000.00
Workers Compensation	Each Accident	\$ 2,000,000.00
	Disease Policy Limit	\$ 2,000,000.00
	Disease Each Employee	\$ 2,000,000.00
School Leaders Errors & Omissions Liability	\$ 16,000,000.00 \$100,000/\$300,000	\$ 5,000.00
Administrator - Bond	\$ 25,000.00	\$ 500.00
Treasurer - Bond	\$ 300,000.00	\$ 1,000.00
Crisis Management	Expenses	\$ 1,000,000.00
	Judgement/Defense	\$ 1,000,000.00
	Death/Dismemberment	\$ 250,000.00
	Disappearance	\$ 100,000.00
	Treat	\$ 150,000.00
Student Accident	\$ 1,000,000.00	
Pollutant Cleanup and Removal	\$ 250,000.00	\$ 5,000.00
Automobile Physical Damage	Actual Cash Basis	\$ 1,000.00
Flood Deductible	All Zones Except A&V	\$ 10,000.00
Robert Gordon Flood Deductible		\$ 1,000.00
Earthquake	\$ 50,000,000.00	\$ 5,000.00
Environmental Liability	\$ 1,000,000.00	\$ 25,000.00
First Party Microbial Clean Up	\$ 100,000.00	\$ 200,000.00
Tuition	\$ 347,000.00	\$ 5,000.00
Employee Benefits Liability	\$ 16,000,000.00	n/a
Sexual Abuse	\$ 16,000,000.00	n/a
Terrorism	\$ 1,000,000.00	n/a

**SINGLE AUDIT SECTION**

*Robert A. Hulsart and Company*  
 CERTIFIED PUBLIC ACCOUNTANTS

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)  
 ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.  
 ROBERT A. HULSART, JR., C.P.A., P.S.A.  
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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
 FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
 BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
 IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable President and Members  
 of the Board of Education  
 Roselle Park School District  
 County of Union  
 Roselle Park, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Roselle Park Board of Education, County of Union, State of New Jersey as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Roselle Park Board of Education, County of Union, State of New Jersey's basic financial statements, and have issued our report thereon dated December 3, 2015.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Roselle Park Board of Education, County of Union, State of New Jersey's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions of the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Roselle Park Board of Education, County of Union, State of New Jersey's internal control. Accordingly, we do not express an opinion on the effectiveness of the Roselle Park Board of Education, County of Union, State of New Jersey's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purposes described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Roselle Park Board of Education, County of Union, State of New Jersey's financial statements are free from material misstatement, we performed tests of it compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

**ROBERT A. HULSART AND COMPANY**

*Robert A. Hulsart*

**Licensed Public School Accountant  
No. 322  
Robert A. Hulsart and Company  
Wall Township, New Jersey**

December 3, 2015

# Robert A. Hulsart and Company

CERTIFIED PUBLIC ACCOUNTANTS

108.

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)

ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.

ROBERT A. HULSART, JR., C.P.A., P.S.A.

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED  
BY OMB CIRCULAR A-133**

Honorable President and Members  
of the Board of Education  
Roselle Park School District  
County of Union  
Roselle Park, New Jersey

**Report on Compliance for Each Major Federal and State Program**

We have audited the Board of Education of the Roselle Park School District, County of Union, State of New Jersey's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Board of Education of the Roselle Park School District, County of Union, State of New Jersey's major federal and state programs for the year ended June 30, 2015. The Board of Education of the Roselle Park School District, County of Union, State of New Jersey's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on compliance for each of the Board of Education of the Roselle Park School District, County of Union, State of New Jersey's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and prescribed by the Office of School Finance, Department of Education, State of New Jersey; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards and OMB Circular A-133 and New Jersey OMB's Circular 04-04, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the Board of Education of the Roselle Park School District, County of Union, State of New Jersey's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Board of Education of the Roselle Park School District, County of Union, State of New Jersey's compliance.

### *Opinion on Each Major Federal and State Program*

In our opinion, the Board of Education of the Roselle Park School District, County of Union, State of New Jersey's, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2015.

### **Report on Internal Control Over Compliance**

Management of the Board of Education of the Roselle Park School District, County of Union, State of New Jersey's is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Board of Education of the Roselle Park School District, County of Union, State of New Jersey's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey OMB Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Board of Education of the Roselle Park School District, County of Union, State of New Jersey's internal control over compliance.

*A deficiency in internal control* over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal and state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a type of compliance requirement of a federal and state program will not be prevented, or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purposes described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or, significant deficiencies. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

**ROBERT A. HULSART AND COMPANY**

*Robert A. Hulsart*

**Licensed Public School Accountant  
No. 322  
Robert A. Hulsart and Company  
Wall Township, New Jersey**

December 3, 2015

**ROSELLE PARK SCHOOL DISTRICT**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Schedule A  
K-3

Department of Education Project/Title	CFDA Number	Program or Award Amount	Grant Period		Balance at June 30, 2014	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Year Balances	Balance at June 30, 2015		
			From	To							(Accounts Receivable)	Deferred Revenue	Due to Grantor
U.S. Department of Agriculture													
Passed Through State Department of Education:													
National School Lunch Program	10.555	\$ 252,854	7/1/13	6/30/14	\$ (106,537)		106,537						
National School Lunch Program	10.555	304,073	7/1/14	6/30/15			285,315	(304,073)			(19,058)		
HHFKA Program	10.555	11,053	7/1/14	6/30/15			10,344	(11,053)			(709)		
HHFKA Program	10.555	8,905	7/1/13	6/30/14	(3,666)		3,666						
School Breakfast Program	10.553	20,098	7/1/13	6/30/14	(8,731)		8,731						
School Breakfast Program	10.553	21,198	7/1/14	6/30/15			19,177	(21,198)			(2,021)		
Food Distribution	10.550	44,794	7/1/14	6/30/15			44,794	(44,794)					
<b>Total Department of Agriculture</b>					<b>(118,934)</b>	<b>-</b>	<b>478,564</b>	<b>(381,118)</b>	<b>-</b>	<b>-</b>	<b>(21,788)</b>	<b>-</b>	
U.S. Department of Education													
Passed Through State Department of Education:													
General Fund:													
Medicaid	93.778	83,615	7/1/14	6/30/15			83,615	(83,615)					
							83,615	(83,615)					
Special Revenue Fund:													
Title I	84.010	365,169	9/1/14	8/31/15			264,002	(365,169)			(101,167)		
Title I	84.010	383,129	9/1/13	8/31/14	(74,366)		74,662	(296)					
Title IIA	84.367A	40,564	9/1/13	8/31/14	(5,863)		5,863						
Title IIA	84.367A	41,532	9/1/14	8/31/15			33,433	(41,532)			(8,099)		
Title III	84.365A	46,606	9/1/13	8/31/14	(11,068)		11,068						
Title III	84.365A	43,729	9/1/14	8/31/15			29,204	(43,729)			(14,525)		
Title III Immigrant	84.365A	8,287	9/1/14	8/31/15			7,698	(8,287)			(589)		
I.D.E.A.:													
Part B	84.027	434,020	9/1/13	8/31/14	(82,755)		82,755						
Part B	84.027	457,252	9/1/14	8/31/15			396,952	(457,227)			(60,275)		
Preschool	84.173	14,537	9/1/13	8/31/14	(2,383)		2,383						
Preschool	84.173	14,558	9/1/14	8/31/15			12,169	(14,545)			(2,376)		
<b>Total U.S. Department of Education</b>					<b>(176,435)</b>	<b>-</b>	<b>920,189</b>	<b>(930,785)</b>	<b>-</b>	<b>-</b>	<b>(187,031)</b>	<b>-</b>	
<b>Total Federal Financial Assistance</b>					<b>\$ (295,369)</b>	<b>-</b>	<b>1,482,368</b>	<b>(1,395,518)</b>	<b>-</b>	<b>-</b>	<b>(208,819)</b>	<b>-</b>	

See Accompanying Notes to Schedules of Financial Assistance.

ROSELLE PARK SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Schedule B  
K-4

Department of Education Project/Title	State Grant Number	Program or Award Amount	Grant Period		Balance at June 30, 2014	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Year Balances	Balance at June 30, 2015			MEMO	
			From	To							(Accounts Receivable)	Deferred Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable	Total Cumulative Expenditures
State Department of Education:															
Special Education Aid	15-495-034-5120-089	\$ 1,140,860	7/1/14	6/30/15	\$ -		1,140,860	(1,140,860)						(112,790)	1,140,860
Equalization Aid	15-495-034-5120-078	9,176,611	7/1/14	6/30/15			9,176,611	(9,176,611)						(907,241)	9,176,611
Security Aid	15-495-034-5120-084	85,714	7/1/14	6/30/15			85,714	(85,714)						(8,474)	85,714
Extraordinary Aid	15-495-034-5120-044	296,019	7/1/14	6/30/15				(296,019)			(296,019)				296,019
Extraordinary Aid	14-495-034-5120-044	241,798	7/1/13	6/30/14	(241,798)		241,798								
Transportation Aid	15-495-034-5120-014	19,838	7/1/14	6/30/15			19,838	(19,838)						(1,961)	19,838
Additional Adjustment Aid	15-495-034-5120-085	1	7/1/14	6/30/15			1	(1)							1
PARCC Readiness Aid	15-495-034-5120-098	18,620	7/1/14	6/30/15			18,620	(18,620)						(1,841)	18,620
Per Pupil Growth Aid	15-495-034-5120-097	18,620	7/1/14	6/30/15			18,620	(18,620)						(1,841)	18,620
Reimbursed TPAF Social Security Contribution (Non-Budgeted)	14-100-034-5095-002	1,075,933	7/1/13	6/30/14	(1,011,558)		1,011,558								
Reimbursed TPAF Social Security Contribution (Non-Budgeted)	15-100-034-5095-002	1,113,607	7/1/14	6/30/15			1,057,773	(1,113,607)			(55,834)				1,113,607
					(1,253,356)		12,771,393	(11,869,890)	-	-	(351,853)	-	-	(1,034,148)	11,869,890
State School Lunch Program (State Share)	14-100-010-3350-023	7,183	7/1/13	6/30/14	(2,972)		2,972								
State School Lunch Program (State Share)	15-100-010-3350-023	8,830	7/1/14	6/30/15			8,266	(8,830)			(564)				8,830
					(2,972)		11,238	(8,830)	-	-	(564)	-	-	-	8,830
Total State Financial Assistance					\$ (1,256,328)		12,782,631	(11,878,720)	-	-	(352,417)	-	-	(1,034,148)	11,878,720

See Accompanying Notes to Schedules of Financial Assistance.

**BOARD OF EDUCATION**

K-5

**ROSELLE PARK SCHOOL DISTRICT****NOTES TO SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE****JUNE 30, 2015****NOTE 1: General**

The accompanying schedules of financial assistance present the activity of all federal and state financial assistance programs of the Board of Education, Roselle Park School District. The Board of Education is defined in Note 1(A) to the Board's general-purpose financial statements. All federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies is included on the schedule of federal financial assistance.

**NOTE 2: Basis of Accounting**

The accompanying schedules of financial assistance are presented using the modified accrual basis of accounting. This basis of accounting is described in Note 1(C) to the Board's general-purpose financial statements.

**NOTE 3: Relationship to General Purpose Financial Statements**

The general-purpose financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

Awards and financial assistance revenues are reported in the Board's general purpose financial statements on a GAAP basis as presented below:

NOTE 3: Relationship to General Purpose Financial Statements

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Food Service</u>	<u>Total</u>
<b><u>State Assistance</u></b>					
Actual Amounts (Budgetary)					
“Revenues” from the Schedule					
of Expenditures of State					
Financial Assistance	\$ 11,869,890			8,830	11,878,720
Difference – Budget to “GAAP”					
Grant Accounting Budgetary					
Basis Differs from GAAP					
in that Encumbrances are					
Recognized as Expenditures					
and the Related Revenue					
is Recognized					
On Behalf Payments					
Recognized for GAAP					
Statements but Not					
Included in the Schedule					
of Expenditures of State					
Financial Assistance	1,934,444				1,934,444
The Last State Aid Payment					
Is Recognized as Revenue					
for Budgetary Purposes,					
and Differs from GAAP					
Which does not Recognize					
This Revenue Until the					
Subsequent Year When the					
State Recognizes the Related					
Expense (GASB 33)	<u>(5,628)</u>	_____	_____	_____	<u>(5,628)</u>
Total State Revenue as Reported					
on the Statement of Revenues,					
Expenditures and Changes in					
Fund Balances	<u>\$ 13,798,706</u>	=====		<u>8,830</u>	<u>13,807,536</u>

**NOTE 3: Relationship to General Purpose Financial Statements (Continued)**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Food Service</u>	<u>Total</u>
<b><u>Federal Assistance</u></b>					
Actual Amounts (Budgetary) “Revenues” from the Schedule of Expenditures of Federal Awards	\$ 83,615	930,785		381,118	1,395,518
Difference – Budget to “GAAP” Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditures and the Related Revenue is Recognized	_____	<u>6,953</u>	_____	_____	<u>6,953</u>
Total Federal Revenue as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances	<u>\$ 83,615</u>	<u>937,738</u>	_____	<u>381,118</u>	<u>1,402,471</u>

**NOTE 4: Relationship to Federal and State Financial Reports**

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

**NOTE 5: Other**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2015. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer’s share of social security contributions for TPAF members for the year ended June 30, 2015.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

K-6

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Part 1 - Summary of Auditor's Results

Financial Statement Section

Unmodified

Type of auditor's report issued:

Internal control over financial reporting:

1) Material weakness(es) identified? Yes x No

2) Reportable conditions(s) identified that are not considered to be material weaknesses? Yes x None Reported

Noncompliance material to general purpose financial statements noted? Yes x No

Federal Awards

Internal control over compliance:

1) Material weakness(es) identified? Yes x No

2) Reportable condition(s) identified that are not considered to be material weaknesses? Yes x None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133? Yes x No

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

Table with 2 columns: CFDA Number(s) and Name of Federal Program or Cluster. Rows include Title I, IDEA Part B, IDEA-Preschool, National School Lunch Program, HHFKA Program, School Breakfast Program, and Food Distribution.

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? x Yes No

**ROSELLE PARK SCHOOL DISTRICT****SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

K-6

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015***Part 1 - Summary of Auditor's Results (Continued)***State Awards**Dollar threshold used to distinguish between type A and type B programs: \$356,362.00Auditee qualified as low-risk auditee?  x  Yes   NoType of auditor's report issued on compliance for major programs: Unmodified

Internal Control over major programs:

(1) Material Weakness(es) identified?   Yes  x  No(2) Reportable condition(s) identified that are not considered to material weaknesses?   Yes  x  None ReportedAny audit findings disclosed that are required to be reported in accordance with N.J. OMB's Circular 04-04?   Yes  x  No

Identification of major programs:

**GMIS Number(s)**15-495-034-5120-08915-495-034-5120-07815-495-034-5120-09815-495-034-5120-09715-495-034-5095-00215-495-034-5120-084**Name of State Program**Special Education Aid (State Aid Public Cluster)Equalization Aid (State Aid Public Cluster)PARCC Readiness Aid (State Aid Public Cluster)Per Pupil Growth Aid (State Aid Public Cluster)TPAF Social Security (Reimbursed)Security Aid (State Aid Public Cluster)

**ROSELLE PARK SCHOOL DISTRICT**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**K-6**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

*Part 2 - Financial Statement Findings*

This section identifies the reportable conditions, material weaknesses, and instances of noncompliance related to the general purpose financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 of *Government Auditing Standards*.

Finding: None

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Cause: N/A

Recommendation: N/A

Management's Response: N/A

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

K-6

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

*Part 3 - Federal Awards and State Financial Assistance Findings and Questioned Costs*

This section identifies audit findings required to be reported by section .510(a) of Circular A-133 and NJOMB Circular Letter 04-04.

**Federal Awards**

Finding: NONE

Information on the Federal Program: N/A

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Cause: N/A

Recommendation: N/A

Management's response: N/A

**State Awards**

Finding: NONE

Information on the State Program: N/A

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Cause: N/A

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

K-6

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

*Part 3 - Federal Awards and State Financial Assistance Findings and Questioned Costs (Continued)*

State Awards (Continued)

Recommendation: N/A

Management's response: N/A

**ROSELLE PARK SCHOOL DISTRICT**

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**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

K-7

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**Prior Audit Findings:**

There were no prior year audit findings.